



National State Auditors Association

August 19, 2002

William G. Holland
Auditor General
Iles Park Plaza
740 E. Ash Street
Springfield, IL 62703-3154

Dear Mr. Holland:

We have reviewed the system of quality control of the Illinois Office of the Auditor General (the office) in effect for fiscal year 2001 financial and financial related audits conducted for years ended December 30, 2000, June 30, 2001, August 31, 2001, and September 30, 2001, which were released on or before June 30, 2002, and for performance audits issued between July 1, 2001, and July 2, 2002. A system of quality control encompasses the office's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of conforming with government auditing standards. The design of the system and compliance with it are the responsibility of the office. Our responsibility is to express an opinion on the design of the system, and the office's compliance with the system based on our review.

We conducted our review in accordance with the policies and procedures for external quality control reviews established by the National State Auditors Association (NSAA). In performing our review, we obtained an understanding of the office's system of quality control for audits conducted in accordance with government auditing standards. In addition, we tested compliance with the office's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the office's policies and procedures on selected engagements. Because our review was based on selective tests, it would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it.

Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control of the Illinois Office of the Auditor General in effect for fiscal year 2001 financial and financial related audits conducted for years ended December 30, 2000, June 30, 2001, August 31, 2001, and September 30, 2001, which were released on or before June 30, 2002, and for performance audits issued between July 1, 2001, and July 2, 2002, has been suitably designed and was complied with during the period to provide reasonable assurance of conforming with government auditing standards.

Team Leader
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