

Legislative Audit Commission

RESOLUTION NO. 139

Presented by Representative Mautino

WHEREAS, the University of Illinois is of immense value to the people of Illinois, annually producing more than \$13 billion in direct and indirect economic impact on the State while educating more than 71,000 students and awarding 18,500 degrees, and

WHEREAS, the University is governed by a newly reconstituted Board of Trustees, and

WHEREAS, it is a governing board's basic responsibility to preserve the integrity of the institution by meeting the highest standards of stewardship in the conduct of its affairs as it meets expectations for board accountability and transparency, and

WHEREAS, it is also a governing board's basic responsibility to follow a thoughtful process for assessment of the board's own performance, and

WHEREAS, it is common practice to conduct a transition audit when a material change takes place in the composition of the board and the leadership of the University, and

WHEREAS, the University of Illinois Board of Trustees has been reconstituted, and

WHEREAS, the objective of a Board of Trustees transition audit includes a determination of whether the University has conducted all financial and business processes adhering to accepted and adequate systems of internal control, as required by State law, University policy and procedures, and good business practice, and has complied with same, and

WHEREAS, the majority of financial and business processes for which the Board of Trustees has responsibility are within the areas of purchasing, finance and investment, and construction, and

WHEREAS, the University of Illinois Board of Trustees has requested that the Legislative Audit Commission authorize and direct that a transition audit be performed and for transparency and independence direct that the Office of the Auditor General be directed to conduct an independent external audit and report its conclusions to the Board; therefore

BE IT RESOLVED, BY THE LEGISLATIVE AUDIT COMMISSION, that the Auditor General is directed to conduct an audit of certain financial and business

processes for which the University of Illinois Board of Trustees has responsibility; and be it further

RESOLVED, that the audit focus specifically on transactions approved by the Board during the period 2007 through 2009 involving purchasing, finance and investment, and construction; and be it further

RESOLVED, that the audit include a determination whether the approval process for those transactions followed all applicable laws, rules, practices and procedures; and be it further

RESOLVED, that the University of Illinois and any other entity having information relevant to the audit cooperate fully and promptly with the Auditor General's Office in the conduct of this audit; and be it further

RESOLVED, that the Auditor General commence this audit as soon as possible and report his findings and recommendations upon completion in accordance with the provisions of Section 3-14 of the Illinois State Auditing Act.

Adopted this _____ day of _____, 2010.

Representative Frank J. Mautino
Co-Chair

Senator Chris Lauzen
Co-Chair