



External Quality Control Review

of the
City of Atlanta
City Auditor's Office

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**

for the period November 14, 2009, through
November 13, 2012



Association of Local Government Auditors

November 9, 2012

Ms. Leslie E. Ward, City Auditor
City of Atlanta City Auditor's Office
68 Mitchell Street SW, Suite 12100
Atlanta, GA 30303-0312

Dear Ms. Ward,

We have completed a peer review of the City of Atlanta City Auditor's Office for the period November 14, 2009, through November 13, 2012. In conducting our review, we followed the standards and guidelines contained in the *Peer Review Guide* published by the Association of Local Government Auditors (ALGA).

We reviewed the internal quality control system of your audit organization and conducted tests in order to determine whether your internal quality control system operated to provide reasonable assurance of compliance with *Government Auditing Standards* issued by the Comptroller General of the United States. Our procedures included:

- Reviewing the audit organization's written policies and procedures.
- Reviewing internal monitoring procedures.
- Reviewing a sample of audits and working papers.
- Reviewing documents related to independence, training, and development of auditing staff.
- Interviewing auditing staff, management, and member of the Audit Committee to assess their understanding of, and compliance with, relevant quality control policies and procedures.

Due to variances in individual performance and judgment, compliance does not imply adherence to standards in every case, but does imply adherence in most situations.

Based on the results of our review, it is our opinion that the City of Atlanta City Auditor's Office's internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* for audits during the period November 14, 2009, through November 13, 2012.

We have prepared a separate letter offering suggestions to further strengthen your internal quality control system.

Trevor L. Williams
Miami-Dade County Public
Schools

T. Bert Fletcher
City of Tallahassee

Dallas Dawson
Hillsborough County Aviation
Authority



Association of Local Government Auditors

November 9, 2012

Ms. Leslie E. Ward, City Auditor
City of Atlanta City Auditor's Office
68 Mitchell Street SW, Suite 12100
Atlanta, GA 30303-0312

Dear Ms. Ward,

We have completed a peer review of the City of Atlanta's City Auditor's Office for the period of November 14, 2009, through November 13, 2012 and issued our report thereon dated November 9, 2012. We are issuing this companion letter to offer certain observations and suggestions stemming from our peer review.

We would like to mention some of the areas in which we believe your office excels:

- The City Auditor's Policy and Procedures Manual is well-designed, detailed and instructive, and provides the necessary guidance to staff to enable them to effectively perform audits that comply with GAGAS.
- The City Auditor's Staff appears to be highly qualified and trained in auditing and management principles.
- The City Auditor's Office has a very extensive audit planning process, which is generally well documented.
- The summary sheets on audit objectives prepared by the City Auditor's Office are detailed and are effective in focusing the reviewer's attention to the issues.
- The report format used by the City Auditor's Office in reporting its audit findings and recommendations is reader-friendly and employs the use of good graphics.
- The audit conclusions are adequately supported by appropriate and sufficient evidence.
- The work is adequately supervised as evidenced by ongoing progress meetings and supervisory review notes.

We offer the following observations and suggestions to enhance your organization's demonstrated adherence to *Government Auditing Standards*:

- Section 3.95 of *Government Auditing Standards* states that an audit organization should analyze and summarize the results of its quality control monitoring process at least annually. The standard further requires that systemic or repetitive issues needing improvement be identified and communicated to the appropriate personnel, along with recommendations for corrective action.

In reviewing the Office's quality control system, we observed that in November 2011, the City Auditor's Office completed an analysis of its system of quality control for work completed during the two fiscal years 2010 and 2011, instead of annually. The summary report on the results of the analysis disclosed that although the system of quality control was generally working, there were some notable exceptions regarding planning, supervision and consistency in working paper

documentation. The report offered specific plans of action to prevent the recurrence of the noted exceptions.

The timely analysis and summation of the results of the Office's monitoring process helps to ensure that the Office's quality control system is appropriately designed, operating effectively and complies with standards. We acknowledge the City Auditor's Office's effort to perform an analysis to determine compliance with its system of quality control, and recommend that this analysis be performed at least annually.

We extend our thanks to you, your staff and the other city officials we met for the hospitality and cooperation extended to us during our review.

Sincerely,

Handwritten signatures of Trevor L. Williams and T. Bert Fletcher. The signature of Trevor L. Williams is on the left, and the signature of T. Bert Fletcher is on the right.

Trevor L. Williams
Miami-Dade County Public
Schools

T. Bert Fletcher
City of Tallahassee

Handwritten signature of Dallas Dawson.

Dallas Dawson
Hillsborough County Aviation
Authority



CITY OF ATLANTA

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November 9, 2012

Trevor L. Williams, CPA
Miami Dade County Public
Schools

T. Bert Fletcher, CPA
City of Tallahassee

Dallas Dawson, CIA
Hillsborough County Aviation
Authority

Dear Mr. Williams:

Thank you and your colleagues for conducting a peer review of the City of Atlanta's City Auditor's Office. We appreciate your thorough review and thoughtful feedback on our audit processes. We are pleased that you found our internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* during the period November 14, 2009, through November 13, 2012.

We agree with your recommendation to ensure that we document our internal assessment of quality controls at least annually. It is important to us that we conduct our work in a consistent, fair, and professional manner and comply with *Government Auditing Standards*.

Sincerely,

Leslie Ward
City Auditor