



External Quality Control Review

of the
City of Austin
Office of the City Auditor

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**
for the period May 1, 2019, to April 30, 2022



Association of Local Government Auditors

September 15, 2022

Corrie Stokes, City Auditor
200 W. Cesar Chavez, Suite 200
Austin, Texas 78702

Dear Ms. Stokes,

We have completed a peer review of the City of Austin, Office of the City Auditor for the period May 1, 2019 through April 30, 2022. In accordance with generally accepted government auditing standards peer review requirements, 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 was adequately designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* issued by the Comptroller General of the United States and applicable legal and regulatory requirements. Our procedures included:

- Reviewing the audit organization's written policies and procedures.
- Reviewing internal monitoring procedures.
- Reviewing a sample of audit and attestation engagements and working papers.
- Reviewing documents related to independence, training, and development of auditing staff.
- Interviewing auditing staff, management, and members 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. Organizations can receive a rating of pass, pass with deficiencies, or fail. City of Austin, Office of the City Auditor has received a rating of pass.

Further, based on the results of our review, it is our opinion that City of Austin, Office of the City Auditor internal quality control system was adequately designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* and applicable legal and regulatory requirements for audits and attestation engagements during the May 1, 2019 through April 30, 2022.

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

Danielle Knighten, MBA, CICA, CFS
City of San Diego

Jon Keenan, CIA, CFE
County of Summit

Brittney Quinn
County of Summit



Association of Local Government Auditors

September 15, 2022

Corrie Stokes, City Auditor
200 W. Cesar Chavez, Suite 200
Austin, Texas 78702

Dear Ms. Stokes,

We have completed a peer review of the City of Austin, Office of the City Auditor for the period May 1, 2019, through April 30, 2022, and issued our report thereon dated September 15, 2022. 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:

- **Training:** The Office of the City Auditor (OCA) has an 8 – 10 week internal training academy that covers government structures, internal processes, and Yellow Book standards. Additionally, the office's training budget allows the individual auditors to obtain relevant continuing education.
- **Quality Control Review:** The office has a designated quality assurance coordinator who reviews quality control at various stages of the audits.
- **Staff Professional Diversification:** The staff's education and professional skills are diversified throughout the office which allows for varying perspectives while conducting engagements.

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

- Standard 4.18 requires the audit organization maintain documentation of each auditor's continuing professional education (CPE). In reviewing the office's documentation of CPE, we did not find any instances of non-compliance. We noted instances of data entry errors (e.g., dates, hours, and duplications), missing certificates, and trainings that were attended but not recorded in the system.

Recommendation: We recommend the office review their current monitoring procedures and update them to ensure that data entries are reviewed for accuracy and completeness and reconciled to the supporting documentation. Ensure all supporting documentation is maintained.

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

Sincerely,

Danielle Knighten, MBA, CICA, CFS
City of San Diego

Jon Keenan, CIA, CFE
County of Summit

Brittney Quinn
County of Summit



City of Austin

Office of the City Auditor

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September 15, 2022

To the 2022 ALGA Peer Review Team for the City of Austin,

Thank you for performing the external quality control review of the City of Austin Auditor's Office. I recognize the importance of compliance with Government Auditing Standards in order to ensure independent, high-quality audits and I am pleased with your conclusion that my Office was in full compliance for the review period.

We agree with the item identified in the management letter regarding our continuing professional education documentation and will immediately update our monitoring procedures and implement improvements to ensure accuracy and completeness of these records.

I also appreciate your recognition of some strengths in my office as well as your professionalism in conducting this review.

Sincerely,

Corrie Stokes, CIA, CGAP, CFE
Austin City Auditor