



External Quality Control Review

of the
City of Tallahassee
Office of the City Auditor

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**
for the period October 1, 2011 - September 30, 2014



Association of Local Government Auditors

December 12, 2014

Mr. T. Bert Fletcher, City Auditor
Office of the City Auditor
City of Tallahassee
300 S. Adams Street
Tallahassee, Florida 32301

Dear Mr. Fletcher,

We have completed a peer review of the City of Tallahassee Office of the City Auditor for the period October 1, 2011 through September 30, 2014. 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 audit and nonaudit services 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.

Based on the results of our review, it is our opinion that the City of Tallahassee Office of the City Auditor'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 October 1, 2011 through September 30, 2014.

Mark Swann
Metropolitan Government of
Nashville and Davidson County

Danielle Knighten
City of San Diego

Ginger Fussell
City of Clarksville



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December 12, 2014

Mr. T. Bert Fletcher, City Auditor
Office of the City Auditor
City of Tallahassee
300 S. Adams Street
Tallahassee, Florida 32301

Dear Mr. Fletcher,

We have completed a peer review of the City of Tallahassee Office of the City Auditor for the period October 1, 2011 through September 30, 2014. In conducting our review, we followed the standards and guidelines contained in the *Peer Review Guide for Assessing Conformance with International Standards for the Professional Practice of Internal Auditing* 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 if your internal quality control system operated to provide reasonable assurance of conformance with the *International Standards for the Professional Practice of Internal Auditing (the Standards)* issued by the Institute of Internal Auditors as part of their *Professional Practices Framework*. Due to variances in individual performance and judgment, conformance 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 Tallahassee Office of the City Auditor's internal quality control system was suitably designed and operating effectively to provide reasonable assurance of conformance with *the Standards* for assurance and consulting engagements during the period October 1, 2011 through September 30, 2014.

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

Mark Swann
Metropolitan Government of
Nashville and Davidson County

Danielle Knighten
City of San Diego

Ginger Fussell
City of Clarksville



Association of Local Government Auditors

December 12, 2014

Mr. T. Bert Fletcher, City Auditor
Office of the City Auditor
City of Tallahassee
300 S. Adams Street
Tallahassee, Florida 32301

Dear Mr. Fletcher,

We have completed a peer review of the City of Tallahassee Office of the City Auditor for the period October 1, 2011 through September 30, 2014 and issued our report thereon dated December 12, 2014. 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:

- Office staff is well trained, rich with institutional knowledge, competent, and engaged.
- The Office's reporting of the City Auditor's Annual Performance is very thorough. It highlights accomplishments and demonstrates a commitment to continuous improvement and quality by inclusion of office management's summary of working paper review comments.
- The organizational level risk assessment and annual work plan process is thorough. The solicitation of contributions from staff, city leadership, and governance members; and organizations, boards, associations, and committees in the community demonstrated a truly collaborative process.
- The follow-up and final follow-up audits help ensure management's action plans for audit recommendations are actually implemented.

We offer the following observation and suggestion to enhance your organization's demonstrated adherence to conformance to *International Standards for the Professional Practice of Internal Auditing*:

- IPPF Standard 1010 requires the recognition of the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing* in the Internal Audit Charter documents. The Standards were cited in the City Auditor's Audit Process Guide, but not in the City's charter document. We recommend that City Commission Policy 104 – Audit Policy (City charter document) be revised to include the recognition of the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing*.

Mr. T, Bert Fletcher, City Auditor
December 12, 2014
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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,



Mark Swann
Metropolitan Government of
Nashville and Davidson County



Danielle Knighten
City of San Diego



Ginger Fussell
City of Clarksville



Most Livable City in America

December 15, 2014

Mr. Mark Swann
Metropolitan Auditor
Metropolitan Government of Nashville and Davidson County
PO Box 196300
Nashville, TN 37219

Dear Mr. Swann:

I am responding to the Association of Local Government Auditors' (ALGA) external quality control reports, dated December 12, 2014, and issued to the Office of the City Auditor of the City of Tallahassee. The associated external peer review addressed the internal quality control system in place for audits issued during the period October 1, 2011, through September 30, 2014. We are pleased that the review team concluded that the internal quality control system was suitably designed and working effectively to provide reasonable assurance of compliance with Government Auditing Standards, issued by the Comptroller General of the United States, and the International Standards for the Professional Practice of Internal Auditing, issued by the Institute of Internal Auditors.

In addition to your opinion reports, the review team issued a separate letter report identifying examples of some of the strengths of our internal quality control system and providing one observation and suggestion to enhance our demonstrated adherence to the International Standards for the Professional Practice of Internal Auditing.

We are pleased that you identified as strengths:

- Office staff is well trained, rich with institutional knowledge, competent, and engaged.
- The Office's reporting of the City Auditor's Annual Performance is very thorough. It highlights accomplishments and demonstrates a commitment to continuous improvement and quality by inclusion of Office management's summary of working paper review comments.
- The organizational level risk assessment and annual work plan process is thorough. The solicitation of contributions from staff, city leadership, and governance members; and organizations, boards, associations, and committees in the community demonstrated a truly collaborative process.
- The follow-up and final follow-up audits help ensure management's action plans for audit recommendations are actually implemented.

The ALGA team's observation and suggestion is as follows:

Observation and Suggestion:

International Professional Practices Framework Standard 1010 requires the recognition of the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing in the Internal Audit Charter documents. The Standards were cited in the City Auditor's Audit Process Guide, but not in the City's charter document. We recommend that City Commission Policy 104 – Audit Policy (City charter document) be revised to include the recognition of the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing.

City Auditor's Response:

We concur. Although we believe that the inclusion of citations in our Audit Process Guide demonstrate the City Auditor's adoption of both the International Standards for the Professional Practice of Internal Auditing and Government Auditing Standards, we will consider recommending to the City Commission the revision of the Commission's Audit Policy such that it specifically recognizes the Definition of Internal Auditing, the Institute's Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing.

I am appreciative of ALGA's willingness to accommodate our desire to demonstrate that our work complied with both Government Auditing Standards and the International Standards for the Professional Practice of Internal Auditing. We are extremely pleased with this report, and wish to thank the ALGA team members that took time from their busy schedules to travel to Tallahassee, for their professionalism while conducting the review, and for the helpful verbal suggestions provided throughout the review.

Sincerely,



T. Bert Fletcher
City Auditor

Copy: Ginger Fussell, City of Clarksville
Danielle Knighten, City of San Diego
Mayor and City Commission
Appointed Officials
City Audit Committee