

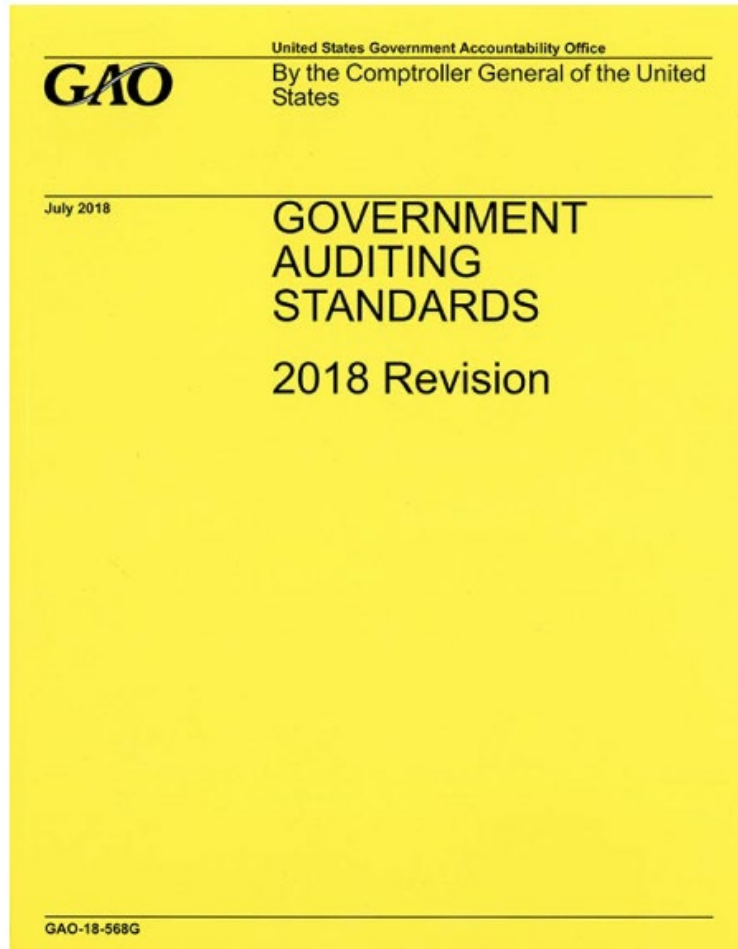
Office of the County Internal Auditor

Peer Review Results



October 11, 2024

Government Auditing Standards



Framework for high quality audits

Issued by Comptroller General of the United States

Required by County Code 2.14.090 A:

The audit activities of the Office of County Internal Audit shall be subject to quality review in accordance with applicable government auditing standards by a professional, non-partisan objective group (such as the Association of Local Government Auditors (ALGA))



General Standards



Independence



Quality Control



Professional
Judgement



Fieldwork



Competence



Reporting



Quality Control Standards



Annual independence and compliance statements



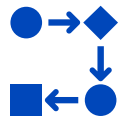
Procedures for adopting an audit plan



Minimum qualifications for staff



Procedures to document continuing professional education



Policies and procedures for conducting audits



Indexing report to evidence and second review



Review Team

Association of Local
Government
Auditors

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Review Objectives

Assess the adequacy of the audit organization's internal quality control system to provide reasonable assurance of compliance with Government Auditing Standards

- Policies and Procedures
- Continuing Education
- Sample of Audits
- Interviews



Review Results

Pass

Pass With
Deficiencies

Fail

it is our opinion that the 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 engagements during the period



Review Results



Association of Local Government Auditors

October 20, 2021

David Givans
Deschutes County Internal Auditor
1300 NW Wall St. Ste 206
Bend, Oregon 97703

Dear Mr. Givans,

We have completed a peer review of the Deschutes County Internal Audit Program for the period 7/1/2018 to 6/30/2021 and issued our report thereon dated October 20, 2021. 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:

- Adding value to the County through extensive knowledge of the County's financial systems and increased efficiency through understanding of information technology.
- Productivity with a high number of audits produced each year.
- Good relationships with County Commissioners and administrative staff. The commissioners and staff we met during our review were positive about the audit and peer review process.
- Your contribution to the profession by being active in ALGA and offering mentorship and advice to other shops, especially other small audit shops.

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

- Standard 8.27 requires that auditors inquire of management about the status of any legal proceedings significant to the audit objectives and evaluate the effect of any legal proceedings on the audit. In reviewing the Office's work papers, we could not find documentation that the auditor made these inquiries. The auditor said that he works in proximity to County administrator staff, including legal counsel, and therefore is generally familiar with any proceedings and avoids audit work in those areas.

We suggest that you develop a standard way to document the inquiry.

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

Sincerely,

Elizabeth Pape
Performance Auditor
Team Leader
City of Portland Oregon

Carol Holley
Senior Internal Auditor
Team Member
City of Surprise Arizona

Management Letter



Office Response



Questions and Comments?

