



Office of the City Auditor

INFORMATION CALENDAR

January 26, 2010

To: Honorable Mayor and Members of the City Council
From: Ann-Marie Hogan, City Auditor
Submitted by: Ann-Marie Hogan, City Auditor
Subject: 2009 Peer Review: Audit of the City of Berkeley Auditor's Office

INTRODUCTION

The 2009 peer review of the City of Berkeley Auditor's Office found our office to be in full compliance with [Generally Accepted Government Audit Standards](#) issued by the Comptroller General of the United States. The City of Berkeley Auditor's Office was awarded the highest rating possible for quality and professionalism.

CURRENT SITUATION AND ITS EFFECTS

In November 2009, auditors from Clark County, Nevada and King County, Washington performed a peer review of the City of Berkeley Auditor's Office. The [Association of Local Government Auditors](#) coordinated the audit and selected the independent peer review team. They reviewed our internal quality control system and performed tests to determine whether it provided reasonable assurance of compliance with [Generally Accepted Government Audit Standards](#) for the period of November 1, 2006 through October 31, 2009.

The peer reviewers identified the following areas in which our office excels:

- Independence combined with a collaborative approach
- A thorough understanding of the complexities of the management of public sector organizations
- Increased impact of audit work because of these strengths
- High quality of work

There were no negative findings. The City Auditor's Office has consistently passed our peer reviews (received an unqualified opinion) since October 2000.

BACKGROUND

To enhance the City of Berkeley Auditor's Office's accountability and effectiveness, the City Auditor proposed, and the City Council and Berkeley voters approved, an amendment to the City Charter which requires that our audits be performed in accordance with [Generally Accepted Government Audit Standards](#). These standards require us to receive a peer review once every three years. Our [2006 Peer Review](#) was presented to Council on February 13, 2007.

Government Auditing Standards (GAS) help ensure that government auditors maintain competence, integrity, objectivity, and independence in planning, conducting, and reporting their work. Auditors enhance their credibility by following standards so their work can lead to improved government management, decision making, and oversight.

The City Auditor's Office mission is to provide independent oversight of City operations and to be a catalyst for improving City government. Our audits provide the City Manager, City Council, and the public with objective, timely, and accurate information about City program performance. Our audits help make government more accountable.

CONTACT PERSON

Ann-Marie Hogan, City Auditor
Auditor's Office
(510) 981-6750

Attachments:

1: 2009 Peer Review



Association of Local Government Auditors

November 6, 2009

Ann-Marie Hogan, City Auditor
City of Berkeley City Auditor's Office
2180 Milvia Street
Berkeley, CA 94704

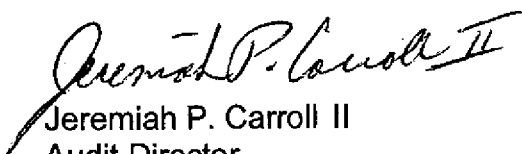
Dear Ms. Hogan,


We have completed a peer review of the Berkeley City Auditor's Office for the period November 1, 2006 through October 31, 2009. 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 if 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. 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 Berkeley City Auditor's Office internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* for audits and attestation engagements during the period of November 1, 2006 through October 31, 2009.

We have prepared a separate letter indicating areas where your office appears to excel.


Jeremiah P. Carroll II
Audit Director
Clark County Audit Department
Clark County, Nevada


Kymber Waltmunson
Principal Management Auditor
King County Auditor's Office
King County, Washington



Association of Local Government Auditors

November 6, 2009

Ann-Marie Hogan
City of Berkeley City Auditor's Office
2180 Milvia Street
Berkeley, CA 94704

Dear Ms. Hogan,

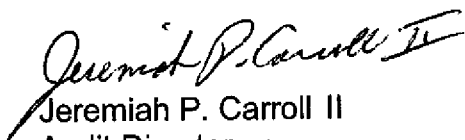
We have completed a peer review of the Berkeley City Auditor's Office for the period November 1, 2006 through October 31, 2009 and issued our report thereon dated November 6, 2009. We are issuing this companion letter to offer observations stemming from our review.


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

- The Audit Office exhibits a high level of independence; the auditors also take a collaborative approach to their work and exhibit a thorough understanding of the complexities of the management of public sector organizations. This approach appears to result in increased impact of audit work.
- Reports are written in clear and concise language.
- Policies and procedures are comprehensive and written to promote clear guidance of audit work.
- There is significant supervisory review that is conducted throughout the course of audit work which, in our opinion, results in high quality audit work.

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,


Jeremiah P. Carroll II
Audit Director
Clark County Audit Department
Clark County, Nevada


Kimber Waltmunson
Principal Management Auditor
King County Auditor's Office
King County, Washington