



# External Quality Control Review

of the  
City of Oklahoma City  
City Auditor's Office

Conducted in accordance with guidelines of the  
**Association of Local Government  
Auditors**  
for the period July 1, 2014 through June 30, 2017



## Association of Local Government Auditors

August 17, 2017

Jim Williamson, City Auditor  
200 N. Walker Avenue  
Oklahoma City, OK 73102

Dear Mr. Williamson,

We have completed a peer review of the City of Oklahoma City Office of the City Auditor for the period July 1, 2014 – June 30, 2017. 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 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.

Based on the results of our review, it is our opinion that the City of Oklahoma City 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 and attestation engagements during the period July 1, 2014 – June 30, 2017.

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

Brad Garvey, CGAP, CFE, CCA  
Performance Audit Manager  
City of Atlanta, GA

Mary Dory, CGAP  
Senior Auditor  
City of Austin, Texas



## Association of Local Government Auditors

August 17, 2017

Jim Williamson, City Auditor  
200 N. Walker Avenue  
Oklahoma City, OK 73102

Dear Mr. Williamson,

We have completed a peer review of the City of Oklahoma City Office of the City Auditor for the period July 1, 2014 – June 30, 2017, and issued our report thereon dated August 17, 2017. 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 well-documented policies and procedures serve to ensure compliance with *Government Auditing Standards*.
- The City Auditor's staff are highly qualified, experienced, and well trained.
- Stakeholders believe the City Auditor issues valuable reports that have positive effects.
- The City Auditor drafts reports that are well-organized and clearly communicate relevant issues.
- The checklists the City Auditor uses for audit planning ensure compliance with standards and effective use of project resources.

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

- Standard 3.08 requires that auditors apply the conceptual framework at the audit organization, audit, and individual auditor levels to identify threats to independence, evaluate the significance of any threats, and to apply safeguards as necessary to eliminate the threats or reduce them to an acceptable level. In two of the five engagements reviewed, independence assessments were either not timely or not complete.

We recommend the office document the assessment of independence and identification of any potential threats to independence prior to performing or reporting on work.

- Standard 3.34 requires that prior to an auditor agreeing to provide a nonaudit service to an audited entity, the auditor should determine whether providing such a service would create a threat to independence, either by itself or in aggregate with other nonaudit services provided. In reviewing the Office's policies and procedures and work papers, we observed that threats to independence were only documented for services exceeding 40 hours.

We recommend the office update its policies to consider threats to independence for all non-audit services.

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,



Brad Garvey, CGAP, CFE, CCA  
Performance Audit Manager  
City of Atlanta, GA



Mary Dory, CGAP  
Senior Auditor  
City of Austin, Texas



The City of  
**OKLAHOMA CITY**  
The Office of the City Auditor

August 17, 2017

Mr. Brad Garvey, Performance Audit Manager, City of Atlanta  
Ms. Mary Dory, Senior Auditor, City of Austin

Dear Peer Review Team:

I have reviewed your report of August 17, 2017, containing the results of your external quality control review of the City of Oklahoma City, Office of the City Auditor. I am pleased you found that our office continues to conduct our work in accordance with *Government Auditing Standards*.

I appreciate your comments about the areas in which our office excels, as well as your observations and suggestions to further enhance our audit services. We agree with your recommendations and will:

- Document independence assessments prior to performing audit work.
- Revise our policies to assess nonaudit service projects totaling less than 40 hours for potential threats to independence.

I would also like to thank both of you for your thoroughness and professionalism in conducting the review.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Williamson".

Jim Williamson  
City Auditor