



External Quality Control Review

of the

City of San Diego
Office of the City Auditor

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**
for the period July 1, 2013 through June 30, 2016



Association of Local Government Auditors

March 23, 2017

Eduardo Luna, City Auditor
Office of the City Auditor
City of San Diego
1010 Second Ave., Suite 555
San Diego, CA 92101

Dear Mr. Luna,

We have completed a peer review of the San Diego Office of the City Auditor for the period July 1, 2013 through June 30, 2016. 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 San Diego 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 July 1, 2013 through June 30, 2016.

We have prepared a separate letter offering feedback on areas in which we believe your office excels.

Jason Hadavi
Deputy City Auditor
Austin, TX

Warren Low
Police Performance Auditor III
LAPD Audit Division

Joseph Rois
Sr. Program Performance Auditor
San Jose, CA



Association of Local Government Auditors

March 23, 2017

Eduardo Luna, City Auditor
Office of the City Auditor
City of San Diego
1010 Second Ave., Suite 555
San Diego, CA 92101

Dear Mr. Luna,

We have completed a peer review of the San Diego Office of the City Auditor for the period July 1, 2013 through June 30, 2016 and issued our report thereon dated March 23, 2017. We are issuing this companion letter to offer certain observations stemming from our peer review.

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

- **Staff Competence** – The Office of the City Auditor staff demonstrated a thorough knowledge of *Government Auditing Standards* as well as the office's audit process. More importantly, staff demonstrated an understanding of how and why the two are connected.
- **Commitment to *Government Auditing Standards*** – During our review, we observed the Office of City Auditor's clear commitment to the intent and spirit of *Government Auditing Standards*. A combination of the office process, administrative procedures, staff competence, and focus on high impact results were evident. Processes have been implemented that go beyond meeting the letter of applicable standards.
- **Dedication to the Public Interest** – Our review revealed a strong dedication to the Public Interest by the Office of the City Auditor. The Office of the City Auditor has built a strong working relationship with their Audit Committee. This relationship has been developed on consistent and open communication. Strong audit work focused on continuous improvement, that meets the needs of stakeholders throughout the City of San Diego has also contributed to the relationship.

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,

Jason Hadavi
Deputy City Auditor
Austin, TX

Warren Low
Police Performance Auditor III
LAPD Audit Division

Joseph Rois
Sr. Program Performance Auditor
San Jose, CA



THE CITY OF SAN DIEGO

March 23, 2017

Jason Hadavi, Deputy City Auditor, Austin, TX

Warren Low, Police Performance Auditor III, LAPD Audit Division

Joseph Rois, Sr. Program Performance Auditor, San Jose, CA

I am very pleased that the independent peer review team found the City of San Diego Office of the City Auditor has conducted work in full compliance with Government Auditing Standards for the period July 1, 2013 through June 30, 2016. To reach full compliance reflects my staff's dedication to audit excellence and my own desire to be the best audit organization possible.

I have reviewed the management letter you provided, and I agree with your assessment that my Office excels in three areas 1) staff competence 2) commitment to Government Auditing Standards, and 3) dedication to the public interest. I am very fortunate to have such talented, well educated, and credentialed audit staff members. All of our staff are very committed to following the Standards and producing high impact audit results. I am very glad you recognized our commitment to the public interest and our great working relationship with the Audit Committee members. We are energized when we see our audit recommendations helping to provide San Diego citizens improved City services. We also greatly appreciate the Audit Committee's assistance and dedication to ensuring our audit recommendations are being implemented.

I would like to sincerely thank the ALGA peer review team for their work. I want to thank each peer review team member for their time and commitment to ensuring government auditors adhere to Government Auditing Standards, and providing the public with high quality audit reports.

Respectfully submitted,

Eduardo Luna
City Auditor

