



External Quality Control Review

of the
City of Gainesville, Florida
City Auditor's Office

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**

October 1, 2014 to September 30, 2017



Association of Local Government Auditors

February 22, 2018

Mr. Carlos Lee Holt, City Auditor
City of Gainesville, Florida
200 E. University Avenue,
Gainesville, Florida 32602

Dear Mr. Holt,

We have completed a peer review of the City of Gainesville, Florida City Auditor's Office for the period October 1, 2014 to September 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 and Finance 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 City of Gainesville, Florida City Auditor's Office'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 of October 1, 2014 to September 30, 2017.

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



Sonal Patel, CPA, CIA
City of Durham, North
Carolina



Chedly Broche, CPA
City of Jacksonville-
Florida



Association of Local Government Auditors

February 22, 2018

Mr. Carlos Lee Holt, City Auditor
City of Gainesville, Florida
200 E. University Avenue,
Gainesville, Florida 32602

Dear Mr. Holt,

We have completed a peer review of the City of Gainesville, Florida City Auditor's Office for the period October 1, 2014 to September 30, 2017 and issued our report thereon dated February, 22, 2018. 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 auditors are very knowledgeable about Government Auditing Standards, and have a thorough understanding of the office's Quality Control System.
- The office has well documented policies and procedures accompanied by a variety of templates, including a comprehensive Fraud Risk Assessment template and a Preliminary Survey template that outlines specific procedures and applicable Government Auditing Standards to help ensure compliance.
- The Office's audit reports are clear and concise.

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

- Standard 7.31 states that, "When auditors do not comply with all applicable GAGAS requirements; they should include a modified GAGAS compliance statement in the audit report". In reviewing the office's work papers, specifically for the Fiscal Year 2017 Follow-up Report, we observed the report included the GAGAS compliance statement even though all applicable GAGAS standards were not followed.

We recommend that for future Follow-up reports, the Office specifically include a modified GAGAS compliance statement in the audit report, if all GAGAS standards are not complied with or language that the auditor did not follow GAGAS.

- Standard 7.9 states that, "Auditors should include in the report a description of the audit objectives, and the scope and methodology used for addressing the audit objectives". In reviewing the Office's work papers, we observed that in some instances methodology was not documented in the reports.

We recommend a description of methodology used for addressing audit objectives be included in all the audit reports.

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,



Sonal Patel, CPA, CIA
City of Durham, North
Carolina



Chedly Broche, CPA
City of Jacksonville-
Florida



February 22, 2018

Sonal Patel, CPA, CIA
Audit Services Department
City of Durham, North Carolina

Chedly Broche, CPA
City of Jacksonville, Council Auditor's Office
Jacksonville, Florida

ALGA Quality Control Review Team

Thank you both for participating in the Association of Local Government Auditors (ALGA) External Quality Control Review of the Gainesville City Auditor's Office. We appreciate your time and commitment to enhancing the City Auditor's Office role in government effectiveness, efficiency, and accountability.

Our office has a long standing history of embracing the peer review process as a valuable and constructive part of our efforts to improve the quality of our audits. We are pleased you found that audits and attestation engagements performed by the Gainesville City Auditor's Office are in full compliance with *Government Auditing Standards* issued by the Comptroller General of the United States.

We concur with your recommendations to further strengthen our internal quality control system and will include those suggestions in our policies and procedures so that those action are reflected in future reports.

Our entire staff appreciates your insights and suggestions and believes your efforts will enhance our effectiveness in adding value to the City of Gainesville.

Sincerely,

A handwritten signature in blue ink, appearing to read "Carlos Lee Holt", with a large, sweeping flourish above it.

Carlos Lee Holt, CPA, CFF, CFE, CIA, CGAP
City Auditor, City of Gainesville, FL