



Association of Local Government Auditors

October 17, 2013

Ms. Patrice Randle, City Auditor
City Auditor's Office
101 W. Abram Street, Third Floor
Arlington, Texas 76010

Dear Ms. Randle:

We have completed a peer review of the City of Arlington, City Auditor's Office (CAO), for the period October 1, 2010, through September 30, 2013, and issued our report thereon dated October 17, 2013. 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:

- Identifying and evaluating the relationships between risks and management controls which helps ensure that audit objectives are assessed within the context of risk and enables the auditors to limit the extent and type of audit testing.
- Teamwork and effective communication among professional staff which allows collaboration among auditors with different areas of technical expertise.
- Annual monitoring of the quality control system which promotes high quality audit processes that comply with *Government Auditing Standards*.

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

- GAS 3.96 requires an audit organization to "obtain an external peer review at least once every 3 years that is sufficient in scope to provide a reasonable basis for determining whether, for the period under review, the reviewed audit organization's system of quality control was suitably designed and whether the audit organization is complying with its quality control system in order to provide the audit organization with reasonable assurance of conforming with applicable professional standards." The CAO did not obtain an external peer review for the period October 1, 2007, though September 30, 2010. However, in accordance with the reporting requirements of GAS 7.31, the CAO modified the GAGAS compliance statement in its reports to disclose that it had not obtained a peer review.

We recommend the City Auditor's Office comply with GAS 3.96 by obtaining an external peer review every three years.

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,

Richard L. Springsteen
DFW International Airport
DFW Airport, TX

Ruth A. Riddle
Port of Seattle
Seattle, WA

W. Richard Walls
Knox County (Retired)
Knoxville, TN