

OFFICE OF AUDITOR GENERAL (OAG)

Peer Review Experience

November 2024



OAG performs audits in accordance with Government Auditing Standards (Yellowbook), which require:

- OAG auditors be independent of mind and appearance
- Audits be adequately planned and designed to obtain sufficient, appropriate evidence that provides a reasonable basis for findings and conclusions based on the audit objectives
- Suitable criteria, based on the audit objectives, be identified
- Yellowbook standards require a peer review every three years

OAG completed an external peer review, conducted by an external peer review team.



External Quality Control Review

of the
Office of Auditor General:
Fairfax County Public Schools

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

for the period July 1, 2021 to June 30, 2022



Association of Local Government Auditors

April 27, 2023

Esther Ko, Auditor General
Office of Auditor General
Fairfax County Public Schools
8115 Gatehouse Rd., Ste. 5500
Falls Church, VA 22042

Dear Esther,

We have completed a peer review of the Office of Auditor General – Fairfax County Public Schools for the period July 1, 2021 to June 30, 2022. In accordance with generally accepted government auditing standards peer review requirements, 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 was adequately designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* issued by the Comptroller General of the United States and applicable legal and regulatory requirements. 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 and management 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. Organizations can receive a rating of pass, pass with deficiencies, or fail. Office of Auditor General – Fairfax County Public Schools has received a rating of pass.

Further, based on the results of our review, it is our opinion that the Office of Auditor General – Fairfax County Public Schools internal quality control system was adequately designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* and applicable legal and regulatory requirements for audits and attestation engagements during the period July 1, 2021 to June 30, 2022.



- 1) Auditor General was the peer review team member for the Port Authority of Allegheny County's Internal Audit Office in 2019, and after that she led five peer reviews.
- 2) Peer reviews included, the internal audit office (or equivalent) of:
 - Prince George's County Public Schools
 - City of Richmond
 - Milwaukee Public Schools
 - Miami-Dade County Public Schools
 - San Diego Airport Authority
 - Upcoming: Anne Arundel County Public Schools (scheduled for January 2025)
- 3) Separately, Auditor General is a member of the Peer Review Committee of the Association of Local Government Auditors (ALGA). ALGA is the national association for the local government auditors.

- 1) OAG is one of the leaders in the local government internal audit industry, in terms of:
 - Passing the Peer Review with no written management letter
 - Use of electronic workpapers
 - Audit report format (key highlights and executive summary)
 - Extensive risk assessment process to identify audit topics
 - Managing approved audits together with the Fraud, Waste, and Abuse hotline
 - Certifications of team members

- 2) OAG could further mature upon:
 - Use of data analytics
 - Completing quality review of audit documentation in the electronic workpapers prior to issuance of audit report