



# *National Association of Local Government Auditors*

April 11, 2002

Suzanne Flynn  
County Auditor  
501 SE Hawthorne, Room 601  
Portland, OR 97204

Dear Ms. Flynn:

We have completed an external quality control review of the Multnomah County Auditor's (Oregon) Office for audits issued during the period April 1, 1999 through March 31, 2002. We have issued a report stating our opinion that your Office is in full compliance with Government Auditing Standards. To assess the quality control policies and procedures, we used the guidelines for National Association of Local Government Auditors (NALGA) quality control reviews. We are presenting this companion letter offering additional observations and some suggestions which, in our opinion, will further increase the value of the Auditor's Office to Multnomah County.

We want to start by mentioning some of the areas in which we believe your office excelled:

The Office has developed a set of policies and procedures that not only document but explain the reasons for a strong quality control process.

Improvements have been made to retain appropriate Continuing Professional Education documentation in an easily understood format.

We were very impressed with the level of communication and reports provided to the public regarding the health and management of County funds. Reports are consistently well written and clearly communicate audit results that are aimed at improving accountability and performance of Multnomah County government programs and operations.

Preliminary and field work plans contained clearly developed and encompassing action plans.

The Multnomah County Auditor's Office achieved a major milestone in working with a variety of departments to prepare the first Service Efforts and Accomplishments Report.

Your use of statistical analysis and benchmarking data presents audited entities with valuable information for establishing goals and self analysis.

Following are several items we noted during our review that present opportunities to strengthen your internal quality control system with only minor procedural adjustments:

The Policies and Procedures Manual (P & P) documents the department's intended compliance with all Government Auditing Standards. Some areas should be followed more consistently:

- Survey and Work Plans should be consistently referenced to the work performed and signed off as completed
- Finding development sheets should be referenced to the supporting workpapers
- Workpaper headers should contain all elements listed in the P & P
- Only relevant data from voluminous source documents need to be included in the workpapers
- The Supervisory Review Logs should consistently include entries through the close of the audit

Auditor questions noted in the workpapers should be referenced to the documents where answered.

Audit objectives should be clearly identified in the report. Any changes to the original objectives should be reported.

The workpapers should include a notation explaining why some areas of concern are not included in the Final Report.

The cause for findings should be carefully developed so that recommendations address the root cause and can be reasonably expected to correct the deficiencies identified. Root cause analysis should be employed when the cause is "unknown."

We hope that the above comments assist you in continuing the high quality of professional work that we observed during the review. We appreciate the hospitality and cooperation extended by your staff during our stay in Portland.

Sincerely,

Jeremiah P. Carroll II  
Audit Director  
Clark County, Nevada

Debra D. Yoshimura  
Audit Director  
Albuquerque, NM