

## Association of Local Government Auditors

April 20, 2017

Steve March, PhD, CIA  
Multnomah County Auditor  
501 SE Hawthorne, Room 601  
Portland, Oregon 97214

Dear Mr. March,

We have completed a peer review of the Multnomah County Auditor's Office for the period January 1, 2014 through December 31, 2016 and issued our report thereon dated April 21, 2017. 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:

- In several engagements during the review period, the Multnomah County Auditor's Office successfully presented reports in an interactive style to provide results in an engaging, easy-to-digest manner. This demonstrates your dedication to meeting the needs of readers and serving the public interest. In this way, the Multnomah County Auditor's Office is a leader within our profession.
- Multnomah County Auditor's Office staff are professional, well qualified, and have a thorough understanding of audit standards. They willingly share their expertise with one another and the collaborative approach to completing projects is a key factor in the successful completion of the office's quality work products.
- The internal quality control process used by the Multnomah County Auditor's Office is exemplary. Without exception, we noted comprehensive and effective quality control efforts to ensure reports are accurate and supported.

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

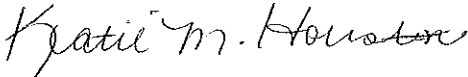
- GAS 3.23 states auditors should exercise professional judgment to determine whether independence in appearance is maintained and whether safeguards can eliminate or reduce those threats. As required by County Charter, the Multnomah County Auditor appoints a Salary Commission to set the salaries of the Chair, Commissioners, Sheriff, and a supplement for the District Attorney.

To help ensure that the Salary Commission work does not appear to impair County Auditor independence, we suggest the County Auditor clarify that the Salary Commission's report is not a Multnomah County Auditor's Office product. We further suggest the County Auditor then reduce the appearance that the Salary Commission report is a product of the Multnomah County Auditor's Office. Some ways to achieve this may be to:

- Remove the Salary Commission report from the Multnomah County Auditor's Office audit report webpage;
- Discuss with the Salary Commission opportunities to reduce use of similar report language and presentation that may lead a third party to confuse the work of the Multnomah County Auditor's Office and the Salary Commission; and
- Request the Salary Commission refrain from stating or implying the Multnomah County Auditor's Office performed analysis for the commission to use when setting the salaries for the Chair, Commissioners, Sheriff, and a supplement for the District Attorney.

We extend our thanks to you and your staff for the hospitality and cooperation extended to us during our review.

Sincerely,



Katie Houston, CPA, CIA, CFE  
Office of the City Auditor  
City of Austin



Houman Boussina, CIA, CISA, CGAP  
Office of the City Auditor  
City of Palo Alto