



**The Association of Local Government Auditors  
Awards this**

***Certificate of Compliance***

**to the**

**Scottsdale City Auditor's Office**

Recognizing that the organization's internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* for engagements during the period January 1, 2021 through December 31, 2023.

*Corrie Stokes*

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Corrie Stokes  
ALGA Peer Review Committee Chair



## CITY AUDITOR

7447 E. Indian School Rd, Suite 205  
Scottsdale, AZ 85251

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June 3, 2024

Honorable Mayor and Members of the City Council:

Attached is the report resulting from the external peer review of the City Auditor's Office, which was completed on May 23, 2024. The Association of Local Government Auditors (ALGA) assigned a team of experienced auditors to conduct this peer review: Lyndon Remias, City Auditor for Virginia Beach, Virginia, and Angela Baxter, Internal Audit Director for Hanover County, Virginia.

I am pleased to report that the external peer review team determined that our Office was in full compliance with *Government Auditing Standards* during the three-year review period, January 2021 thru December 2023.

The City Charter and Scottsdale Revised Code both require the City Auditor to follow generally accepted government auditing standards. To comply with these standards, external peer reviews are required once every three years. A peer review evaluates whether the Office has a quality control system that is suitably designed and effectively operating to provide reasonable assurance of compliance with these standards.

The attached report is the peer review team's opinion letter, which describes their review procedures and results, and mentions some areas in which our Office excels. Our Office received the highest rating of *pass*.

If you have any questions regarding this report, please contact me.

Sincerely,

Lai Cluff, CIA  
Acting City Auditor



# External Quality Control Review

## City Auditor's Office Scottsdale, Arizona

Conducted in accordance with guidelines of the

**Association of Local Government Auditors**

for the period of January 1, 2021 through December 31, 2023



## Association of Local Government Auditors

May 23, 2024

Lai Cluff, CIA, Acting City Auditor  
City Auditor's Office  
7447 E. Indian School Road, Suite 205  
Scottsdale, AZ 85251

Dear Mrs. Cluff,

We have completed a peer review of the City Auditor's Office of Scottsdale, Arizona for the period January 1, 2021 through December 31, 2023. 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 if 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 and a sample of audit working papers.
- Reviewing documents related to independence, training, and development of auditing staff.
- Interviewing auditing staff 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. The City Auditor's Office has received a rating of pass.

Further, based on the results of our review, it is our opinion that the City Auditor's Office's 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 review period of January 1, 2021 through December 31, 2023.

We want to mention some of the areas in which we believe your office excels:

- Standards 8:59 – 8:62 detail the importance of assessing Information System Controls. For those audits with contracted audit services, the documentation in the objective, scope, methodology section of the report are well documented.
- Standard 9.2 outlines form of reports. The audit report format, executive summary, and transmittal memorandum used by the office successfully align with Section 9.2 of the Government Auditing Standards. This combination of items in the communication process ensures clarity, completeness, and compliance with the highest governmental auditing standards. This achievement enhanced the credibility of their findings and facilitated better understanding and usability for stakeholders.

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

Lyndon S. Remias, CPA, CIA  
City Auditor  
City of Virginia Beach, VA

Angela Baxter, CPA  
Internal Audit Director  
County of Hanover, VA