External Quality Control Review

of the
City of Sacramento, CA
Office of the City Auditor

Conducted in accordance with guidelines of the
Association of Local Government Auditors
for the period January 1, 2019, to December 31, 2021
September 22, 2022

Mr. Jorge Oseguera
City Auditor
915 I Street, 2nd Floor, Room 219
Sacramento, CA 95814

Dear Mr. Oseguera,

We have completed a peer review of the City of Sacramento Office of the City Auditor for the period January 1, 2019, to December 31, 2021. 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 non-audit services 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. The City of Sacramento Office of the City Auditor has received a rating of pass.

Further, based on the results of our review, it is our opinion that the City of Sacramento Office of the City Auditor’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 January 1, 2019, to December 31, 2021.

Dariana M. Moore, CFÉ
Durham County
Internal Audit

Tyler J. Benner
County of Hawaii
Internal Audit
of the
City of Sacramento, CA
Office of the City Auditor

Conducted in accordance with guidelines of the
Association of Local Government Auditors
for the period January 1, 2019, to December 31, 2021
09/22/2022

Mr. Jorge Oseguera  
City Auditor  
915 I Street, 2nd Floor, Room 219  
Sacramento, CA 95814

Dear Mr. Oseguera,

We have completed a peer review of the City of Sacramento Office of the City Auditor for the period January 1, 2019, to December 31, 2021, and issued our report thereon dated September 22, 2022. 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:

- The office adheres closely to the Policies and Procedures and effectively leverages audit software to facilitate this practice.
- The office enhances employee professional judgement using training and encourages individuals to seek relevant audit professional certifications.
- The office shows a strong mission driven interest in addressing the most pressing needs of the citizens in their jurisdiction through their audit work.

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

- Standard 8.116 requires that when audit organizations identify findings, to plan and perform procedures to develop the elements of criteria, condition, cause, and effect of the findings to the extent that these elements are relevant and necessary to achieve the audit objectives. Policy and Procedures address this obligation in Section 2, Phase 4, Audit Findings. In reviewing the Office’s work papers, we noted some discrepancies in the consistency of the application of these Finding Development Worksheets.

  We recommend that the Office of the City Auditor utilize the Finding Development Worksheets to ensure the consistent application of the elements of a finding.

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

Sincerely,

Darlan M. Moore, CFE
Durham County
Internal Audit

Tyler J. Benner
County of Hawaii
County Auditor
September 22, 2022

Ms. Moore:
Mr. Benner:

Thank you for performing the external quality control review of the Sacramento City Auditor’s Office. I recognize the importance of our compliance with Government Auditing Standards. Further, I am pleased with your conclusion that my Office’s internal quality control system is suitably designed and operating effectively to provide reasonable assurance of compliance with Government Auditing Standards.

I value the suggestions you made to enhance my office’s adherence to Government Auditing Standards. The suggestions are well taken, and I will work quickly to address the recommendations. Specifically, I will ensure the Finding Development Worksheets are uniformly utilized to ensure the consistent application of the elements of a finding in the audit projects.

I appreciate the time that you took away from your own responsibilities to conduct this review. I also appreciate your professionalism and the thorough manner in which the work was completed. Thank you again for your review and suggestions.

Sincerely,

Jorge Osegueda,
Sacramento City Auditor