



External Quality Control Review

of the
City of Colorado Springs,
Colorado
Office of the City Auditor

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**
for the period July 1, 2013 through June 30, 2018



Association of Local Government Auditors

October 12, 2018

Denny Nester
City Auditor
Office of the City Auditor
City Hall
107 North Nevada Avenue, Suite 200
Colorado Springs, CO 80901

Dear Mr. Nester

We have completed a peer review of the Office of the City Auditor – Colorado Springs for the period from July 1, 2013 to June 30, 2018. In conducting our review, we followed the standards and guidelines contained in the Peer Review Guide for Assessing Conformance with International Standards for the Professional Practice of Internal Auditing 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 conformance with the International Standards for the Professional Practice of Internal Auditing (the Standards) issued by the Institute of Internal Auditors as part of their Professional Practices Framework. Due to variances in individual performance and judgment, conformance does not imply adherence to standards in every case, but does imply adherence in most situations.

Based on the results of our review, it is our opinion that the Office of the City Auditor – Colorado Springs internal quality control system was suitably designed and operating effectively to provide reasonable assurance of conformance with the Standards for assurance and consulting engagements during the period from July 1, 2013 to June 30, 2018.

We have prepared a separate letter identifying areas where your office excels that further strengthen your internal quality control system.

Sincerely,

Edmundo S. Calderon, CIA
Chief Internal Auditor
City of El Paso
El Paso, Texas

Rodney Wright, CPA
Audit Director
City of Clarksville
Clarksville, TN

Shannon Perreyclear, CPA
Internal Auditor
County of Ventura
Ventura, CA



Association of Local Government Auditors

October 12, 2018

Denny Nester
City Auditor
Office of the City Auditor
107 North Nevada Avenue, Suite 200
Colorado Springs, CO 80901

Dear Mr. Nester,

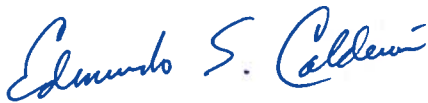
We have completed a peer review of the Office of the City Auditor – Colorado Springs for the period of July 1, 2013 to June 30, 2018 and issued our report dated October 12, 2018.

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

- During the review of the Quality Control System, we identified the use of sections of the City Charter and City Ordinances to establish the requirements of the International Standards for the Professional Practice of Internal Auditing into your organization. This is an excellent best practice to follow.
- The Peer Review Team identified the increase requests from City Departments for Consulting Engagements. The practice of offering your services to your clients has created a reputation for the Office of the City Auditor of becoming a Trusted Advisor and Partner within your government.
- The staff for the Office of the City Auditor are well qualified. The staff possesses numerous Professional Certifications, advanced degrees, and are experienced. Various areas of expertise are present, such as, Financial Auditing, Operational Auditing, Project Management, Fraud Investigations, and Internal Auditing.
- In completing the Peer Review, improvement was noted in the overall operation of the City Auditor's Office. When reviewing the Peer Review Reports completed in May 2007 and January 2014, it was apparent to the Peer Review Team that the City Auditor's Office has matured into a highly effective operation.

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

Sincerely,



Edmundo S. Calderon, CIA
City of El Paso
El Paso, Texas



Rodney Wright, CPA
City of Clarksville, TN
Clarksville, TN



Shannon Perreyclear, CPA
County of Ventura
Ventura, CA



Office of the City Auditor

Date: October 12, 2018

To: Ms. Paula Ward, Chief Auditor
Washoe County School District
PO Box 30425
Reno, Nevada 89520

Re: City of Colorado Springs
City Council's Office of the City Auditor

Dear Ms. Ward,

We have received the results from the Association of Local Government Auditors' (ALGA) peer review you performed for the period of July 1, 2013 through June 30, 2018. We acknowledge your opinion that *our internal quality control system was suitably designed and operating effectively to provide reasonable assurance of conformance with:*

- The International Standards for the Professional Practice Framework issued by the Institute of Internal Auditors.

We recognize this as **full conformance** and also appreciate the recognition provided by the team for areas in which our office excels. Thank you for these comments.

We would like to express our appreciation to you and the ALGA Peer Review Team :

Edmundo S. Calderon – Chief Internal Auditor
City of El Paso, Texas
218 N. Campbell
El Paso, TX 79901

Rodney Wright – Internal Auditor Director
City of Clarksville, Tennessee
1 Public Square
Clarksville, TN 37040

Shannon Perreyclear – Internal Auditor/Analyst II
County of Ventura
Auditor-Controller's Office
800 S. Victoria Avenue
Ventura, CA 93009

City Council's Office of the City Auditor
City Hall ♦ 107 North Nevada Avenue ♦ Suite 200 ♦ Mail Code 1542
Colorado Springs CO 80901-1575
Tel 719-385-5991 ♦ Fax 719-385-5699 ♦ Reporting Hotline ♦ 719-385-2387
www.SpringsGov.com/OCA



Office of the City Auditor

We would like to extend our thanks to each of you for your valuable time, professionalism, and skill exhibited during this peer review process. We appreciate the integrity and respect demonstrated to our staff in their approach and communications throughout this process. We found the process beneficial to our function and the overall profession of internal auditing.

Sincerely,

Denny Nester, MBA, CPA, CIA, CFE, CGFM, CGAP
City Auditor