

**PALM BEACH COUNTY
BOARD of COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: **12/3/2013**

Consent Regular

Public Hearing

Department:

Submitted By:

Internal Auditor's Office

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to ratify: the County Internal Auditor's signature on an agreement with the Association of Local Government Auditors to conduct a peer review of the Internal Auditor's Office at an estimated cost of \$4,500.

Summary: Government Auditing Standards require a triennial peer review of each audit organization conducting audits in accordance with Government Auditing Standards. This requirement applies to the County Internal Auditor's Office. The review will be conducted by the Association of Local Government Auditors. The only cost to Palm Beach County for the peer review is the travel costs for the three person team conducting the review. Countywide (PFK)

Background and Justification: Government Auditing Standards promulgated by the Government Accountability Office (GAO) require a triennial review of all audit shops conducting audit work in accordance with the GAO standards, including internal audit shops such as ours. A three person review team is scheduled to conduct the review during the week of January 13, 2014. There is no cost for the service other than the travel costs for the team members performing the peer review. The travel costs will be paid in accordance with existing County Policies.

Attachments:

Engagement letter with Ms. Tina Adams, ALGA Peer Review Coordinator

Recommended by: *Jugh F. Bergeron* 7 November 2013
Internal Auditor Date

Recommended by: *pa* N/A
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures					
Operating Costs	4,500				
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	4,500				
# ADDITIONAL FTE					
POSITIONS (Cumulative)					

Is Item Included In Current Budget? Yes X No

Budget Account No.: Fund 0001 Department 500 Unit 5000 Object 4001

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Department Fiscal Review:

III. REVIEW COMMENTS:

A. OFMB Fiscal and/or Contract Administration Comments:

Susan Neary 11/12/13
 AM 11/12
 Budget/OFMB 11/8

Dr. J. Jacobson 11/15/13
 Contract Administration

B. Legal Sufficiency:

Paul F. [Signature] 11/15/13
 Assistant County Attorney

C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.



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Board of County
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Hal R. Valeche
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"An Equal Opportunity
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Official Electronic Letterhead

November 1, 2013

Ms. Tina Adams
ALGA Peer Review Coordinator
600 East 4th Street, Suite 107
Charlotte, N.C. 28202

Dear Ms. Adams:

I would like to thank you for coordinating the peer review for the Palm Beach County Internal Auditor's Office. This letter confirms our understanding of the arrangements for the review. The peer review team will consist of Jerry Shaubel as team leader, with Phillip Peterson and Horace Nwachukwu as team members

The scope of the review will be to conduct a peer review following guidelines contained in the *ALGA Peer Review Guide, 2011 Revision*. The objectives of the review will be to determine whether, during the period October 1, 2010 through September 30, 2013, the Palm Beach County Internal Auditor's Office internal quality control system was suitably designed and operating effectively to provide reasonable assurance of complying with applicable *Generally Accepted Government Auditing Standards* issued by the Comptroller General of the United States.

The peer review team will prepare a signed report and a letter to management, if appropriate, stating their conclusions. The review team will follow the reporting guidelines contained in the *ALGA Peer Review Guide*.

During the course of the review, the peer review team will have full access to the Palm Beach County Internal Auditor's Office policies and procedures, personnel files, audit and attestation reports, supporting working papers, documents relating to nonaudit services, and any other reports, correspondence, files, documents deemed pertinent by the peer review team. Palm Beach County Internal Auditor's Office personnel will also be available for interview by the peer review team. During the course of the review, the review team and the Palm Beach County Internal Auditor's Office will exercise due care to understand and adhere to their professional obligations and this agreement, and will treat all

Ms. Tina Adams
ALGA Peer Review Coordinator
November 1, 2013

parties involved in a professional and respectful manner.

The on-site portion of the review will be conducted during the period January 13, 2014 through January 17, 2014. The final report will be issued on ALGA letterhead and will be delivered no later than January 31, 2014.

The Palm Beach County Internal Auditor's Office will pay reasonable expenses incurred by the peer review team members relating to the review as billed per the invoice from ALGA. Meals, excluding gratuities, will be invoiced within the allowances and limitations set by Florida Statute section 112.061 and Palm Beach County PPM #CW-F-009 (copy attached). Current meal allowance rates are \$7 for breakfast, \$11 for lunch, and \$22 for dinner. Mileage for official business will be invoiced at the current official rate of 56.5 cents per mile. Receipts are not required for meal expenses.

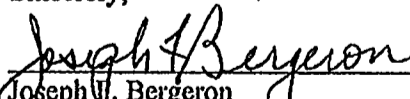
Air travel, hotel accommodations, rental car transportation, meal, and incidental costs will be coordinated and arranged through ALGA Member Services. ALGA Member Services will invoice the Palm Beach County Internal Auditor's Office for travel and meal costs incurred by the review team members in accordance with the requirements of Florida Statutes and Palm Beach County PPM referenced above. The invoice will include backup documentation/receipts supporting the amounts claimed by the review team members.

The value delivered by the peer review team is a benefit of the ALGA Peer Review Program. The value of each review team member's time will not be paid by the Palm Beach County Internal Auditor's Office. Instead and in order to participate in the program, The Palm Beach County Internal Auditor's Office will commit audit personnel to conduct similar peer reviews coordinated by ALGA. Fulfillment of this obligation is required to participate in the peer review program.

To the extent lawful, Palm Beach County Internal Auditor's Office agrees to hold ALGA and its officers and representatives harmless of any liability arising from the actions of the peer review team or issues resulting from the peer review.

If this letter correctly expresses your understanding, please sign and return to me at your earliest convenience.

Sincerely,



Joseph W. Bergeron
Palm Beach County Internal Auditor

Attachments



Accepted by Tina Adams, ALGA Peer Review Coordinator

11/4/2013
Date