

PALM BEACH COUNTY

BOARD of COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: 03/14/2017

Consent  Regular  
 Public Hearing

Department:

Submitted By: County 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 County 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 (ALGA). The only cost to Palm Beach County for the peer review is the travel costs for the three-person team conducting the review. The agreement specifies that meal and incidental travel expenses will be reimbursed based on the United States Federal Government GSA Schedule for the respective region. 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 March 27, 2017. 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 US Federal Government GSA Schedule for Palm Beach County for meals and incidental expenses, and for actual costs for air travel, lodging and other transportation costs such as airport transfers, mileage and tolls. Travel accommodations are arranged through ALGA Member Services.

**Attachments:**

Engagement letter with Mr. Stan Sewell, ALGA Peer Review Coordinator

Recommended by: Joseph F. Beyerman Internal Auditor 2-13-17 Date

Recommended by: POA W. Parker County Administrator 3/3/17 Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2017	2018	2019	2020	2021
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:**

[Signature ] 2/22/17   
 Budget/OFMB    Et 2/22

[Signature ] 3/3/17   
 Contract Administration  
 3/3/17

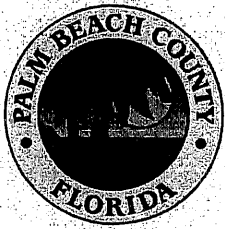
**B. Legal Sufficiency:**

Paul F. [Signature ] 3/3/17   
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

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



**Internal Auditor's Office**

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FAX: (561) 681-4490

[www.pbcgov.com/internalauditor](http://www.pbcgov.com/internalauditor)



**Palm Beach County  
Board of County  
Commissioners**

Paulette Burdick, Mayor

Melissa McKinlay, Vice Mayor

Hal R. Valeche

Dave Kerner

Steven L. Abrams

Mary Lou Berger

Mack Bernard

**County Administrator**

Verdenia C. Baker

"An Equal Opportunity  
Affirmative Action Employer"

Official Electronic Letterhead

January 30, 2017

Stan Sewell  
City Auditor  
City of Chattanooga  
Chattanooga, Tennessee

Dear Mr. Sewell

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 Ricky Brown as team leader, with Eric Spivak and Brecka Anderson 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, 2013 through September 30, 2016, 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, audit and attestation reports, supporting working papers, documents relating to non-audit services, and any other reports, correspondence, files, documents deemed pertinent by the peer review team. Such documents shall include those necessary to evaluate staff competency. 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 parties involved in a professional and respectful manner.

The on-site portion of the review will be conducted during the period March 27 through March 31, 2017. The final report will be issued on ALGA letterhead and will be delivered no later than April 14, 2017.

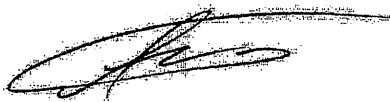
The Palm Beach County Internal Auditor's Office will pay reasonable expenses incurred by the peer review team members relating to the review. Meal and incidental travel expenses will be reimbursed based on the United States Federal Government GSA Schedule for the respective region. Air travel, hotel accommodations, rental car transportation, meal, and incidental costs will be coordinated and arranged through ALGA Member Services. The value delivered by the peer review team is a benefit of the ALGA Peer Review Program. In order to participate in the program, 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 Bergeron  
County Internal Auditor  
Palm Beach County Board of County Commissioners



Digitally signed by Stan Sewell  
DN: cn=Stan Sewell, o=City of Chattanooga,  
ou=Office of Internal Audit,  
email=sewell\_stan@chattanooga.gov, c=US  
Date: 2017.01.30 14:21:30 -05'00'

Accepted by: \_\_\_\_\_

Stan Sewell, ALGA Peer Review Coordinator