



External Quality Control Review

of the
City of Tampa - Internal Audit

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**
for the period October 1, 2013, to September 30,
2016.



March 10, 2017

Ms. Christine Glover
Internal Audit Director
City of Tampa, Internal Audit Department
315 E. Kennedy Boulevard
Tampa, Florida 33602

Dear Christine Glover,

We have completed a peer review of the City of Tampa, Florida, Internal Audit Services Department for the period October 1, 2013, through September 30, 2016. 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 whether 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.
- Reviewing a sample of audit engagements and working papers.
- Reviewing documents related to independence, training, and development of auditing staff.
- Interviewing auditing staff, management, and members of the Audit Committee 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.

Based on the results of our review, it is our opinion that the City of Tampa Internal Audit Department's internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* for audits, attestation engagements, and non-audit services during the period of October 1, 2013, through September 30, 2016.

We have prepared a separate letter offering a suggestion to further strengthen your internal quality control system.

Carlos L. Holt, CPA, CFF, CIA, CFE
Team Leader
City Auditor
City of Gainesville, Florida

Pamela Swinney, CPA
Team Member
Senior Auditor
Office of Internal Audit
City of Chattanooga, Tennessee



Association of Local Government Auditors

March 10, 2017

Ms. Christine Glover
Internal Audit Director
315 E. Kennedy Boulevard
Tampa, Florida 33602

Dear Christine Glover,

We have completed a peer review of the City of Tampa's Internal Audit Department for the period October 1, 2013 through September 30, 2016 and issued our report thereon dated March 10, 2017. 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 review notes present in your workpapers showed an acute attention to detail. These notes serve as a guide for the auditor to move forward and provide a much better end product.
- Annual reviews of the department's policies and procedures by all of the staff at group meetings was especially noteworthy. Several members of your staff commented during interviews that they were more informed because of this process.
- Your use of technology, forms, and templates results in a more streamlined process that is not only faster, but less prone to error. This resulted in a high number of quality engagements for a department this size.

We offer the following observation and suggestion to enhance your organization's demonstrated adherence to *Government Auditing Standards*:

Standard 3.31 (e) requires that the head of the audit organization is sufficiently removed from political pressures to conduct audits and report findings, opinions, and conclusions objectively without fear of political reprisal. In reviewing the office's process for issuing reports, we found that the Internal Audit Director first sends the report to the City Mayor and must wait for his release prior to issuing the audit report.

We recommend the City of Tampa enhance the reporting process and improve the appearance of independence by empowering the Internal Audit Director to issue audit reports without a Mayor's release being a prerequisite (nothing in the City Charter prevents this).

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

Sincerely,

Carlos L. Holt, CPA, CIA, CFE
City Auditor, Gainesville, Florida

Pamela Swinney, CPA
Senior Auditor, Chattanooga, Tennessee



CITY OF TAMPA

Bob Buckhorn, Mayor

Internal Audit Department

Christine Glover, Internal Audit Director

March 31, 2017

Mr. Carlos Holt
City Auditor
City of Gainesville
P.O. Box 490, Station 17
Gainesville, FL 32627

Ms. Pam Swinney
Senior Auditor
City of Chattanooga
1001 Lindsay Street
Chattanooga, TN 37402

Dear Mr. Holt and Ms. Swinney:

I have reviewed your report and management letter for the ALGA Peer Review of the City of Tampa's Internal Audit Department. I recognize and appreciate the time and effort that goes into these reviews to assure our Internal Audit Department is operating in accordance with the Government Auditing Standards.

I am pleased that the peer review team determined the City of Tampa's Internal Audit Department was suitably designed and operating effectively to provide reasonable assurance of compliance with Government Auditing Standards for audit, attestation engagements and non-audit services during the period of the review. I am especially pleased that in the management letter, you specifically pointed out areas in which the City of Tampa Internal Audit Department excels.

I am however, compelled to respond to the suggestion offered in the management letter that this Department issue audit reports without the Mayor's release being a prerequisite and the resulting implication that the present process puts into question this Department's independence.

As you know, General Auditing Standard 3.31, governing Internal Auditor Independence, states that Internal Auditors who work under the direction of the audited entity's management are considered independent for purposes of reporting internally if the head of the audit organization meets all of the criteria set forth in subsections (a) – (e).

You refer only to General Auditing Standard 3.31(e) as the basis for your suggestion. However, General Auditing Standard 3.31(b) states that the Internal Auditor is considered independent if he or she reports the audit results both to the head of or deputy head of the

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Mr. Carlos Holt
Ms. Pam Swinney
March 31, 2017
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government entity and those charged with governance. This criterion must also be satisfied in order for our Internal Audit Department to be considered independent. The City of Tampa is a strong mayor form of government; therefore, the Mayor is “the head of the government entity” as well as “the one charged with governance.”

Although the management letter points out that the City Charter does not prevent the Internal Audit Director from issuing audit reports without the Mayor’s release as prerequisite, it neither requires it. Rather, the City Charter is silent as to whether or not an audit report requires the Mayor’s release. However, as head of all City departments, the Mayor has the same obligation and responsibility to review and comment on audit reports.

Our present process satisfies all the criteria in General Auditing Standard 3.31, including subsections (b) and (e). I can assure you that this Department is sufficiently removed from political pressure to maintain its independence.

Sincerely,

A handwritten signature in cursive script, appearing to read "Christine Glover".

Christine Glover
Internal Audit Director