



COUNTY AUDIT DEPARTMENT

REPORT # 414

JANUARY 27, 2023

EXTERNAL QUALITY ASSESSMENT



Cindy Stuart

CLERK OF COURT & COMPTROLLER
HILLSBOROUGH COUNTY

The Honorable Ken Hagan, Chair
The Honorable Donna Cameron Cepeda
The Honorable Harry Cohen
The Honorable Pat Kemp
The Honorable Gwen Myers
The Honorable Michael Owen
The Honorable Joshua Wostal

January 27, 2023

Dear Chairman Hagan and Commissioners:

Attached are the results of the recent Quality Assurance Review for the County Audit Department. This review was conducted by an independent, external quality assurance review team to determine whether the County Audit Department meets the expectations of the IIA's International Standards for the Professional Practice of Internal Audit (Red Book). Any audit organization that conducts audits in accordance with the IIA standards must successfully complete this review process at least once every five-years to remain compliant.

The Quality Assurance Review was conducted by a peer review team through the Association of Local Government Auditors. The review team has concluded that the County Audit Department's activities are in conformance with all applicable standards and requirements.

I am available to address any questions or comments you may have regarding this process. Please do not hesitate to contact me.

Sincerely,

Heidi Pinner

Together, we will get to YES!

Heidi Pinner, CIA CISA CFE CRMA
Chief Audit Executive, County Audit

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External Quality Control Review

of the
Hillsborough County Clerk of Court
and Comptroller – County Audit
Department

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**

for the period October 1, 2017 to September 30, 2022



Association of Local Government Auditors

November 4, 2022

Ms. Heidi Pinner, CIA, CISA, CFE, CRMA, MBA
Hillsborough County Clerk of Court and Comptroller – County Audit Department
13th Floor, 601 East Kennedy Blvd
Tampa, FL 33602

Dear Ms. Pinner,

We have completed a peer review of the Hillsborough County Clerk of Court and Comptroller – County Audit Department for the period of October 1, 2017 to September 30, 2022. 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 Hillsborough County Clerk of Court and Comptroller – County Audit Department's 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 of October 1, 2017 to September 30, 2022.

We have prepared a separate letter offering suggestions to further strengthen your internal quality control system. We extend our thanks to you, your staff, and the County Clerk and Comptroller for the cooperation extended to us during our review.

Sincerely,

Hoa Quach, MBA, CPA, CIA, CISA, CFE
City Auditor
City of Edmonton
Edmonton, Alberta, Canada

Jennifer Osteen
Internal Auditor
City of Clarksville
Hopkinsville, Kentucky, United States



Association of Local Government Auditors

November 4, 2022

Ms. Heidi Pinner, CIA, CISA, CFE, CRMA, MBA
Hillsborough County Clerk of Court and Comptroller – County Audit Department
13th Floor, 601 East Kennedy Blvd
Tampa, FL 33602

Dear Ms. Pinner,

We have completed a peer review of the Hillsborough County Clerk of Court and Comptroller – County Audit Department (County Audit Department) for the period of October 1, 2017 to September 30, 2022 and issued our report dated November 4, 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 County Clerk and Comptroller spoke highly of the trust and respect for the County Audit Department and its chief audit executive.
- The audit manual and accompanying templates and checklists assist the County Audit Department to deliver quality audits and audit reports that conform with the *International Standards for the Professional Practice of Internal Auditing*.
- The County Audit Department supports training and continuing professional development to enhance each staff member and the County Audit Department's collective knowledge, skills, and competencies.
- In consultation with management and the County Clerk and Comptroller, the chief audit executive developed risk-based audit plans that focus on the organization's business risks.

We offer the following observations and suggestions to help your organization achieve full conformance with *International Standards for the Professional Practice of Internal Auditing*:

Observation 1:

Standard 1000 – Purpose, Authority, and Responsibility states “the purpose, authority, and responsibility of the internal audit activity must be formally defined in an internal audit charter...The chief audit executive must periodically review the internal audit charter and present it to senior management and the board for approval”.

The County Audit Department's internal audit charter was last signed and approved in June 2017. We could not evidence that this has been periodically reviewed, presented and approved since then. The review should be conducted annually per discussion with the chief audit executive. We should note that the County Audit Department has provided a current draft charter that is planned to be presented and approved by the end of November 2022.

Suggestion 1:

We recommend the County Audit Department periodically review and present the internal audit charter to the board for approval.

Observation 2:

Standard 2500.A1 – Monitoring Progress states, “The chief audit executive must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.

The County Audit Department has established a follow-up process, however, it does not follow-up on outstanding recommendations past a 12-month prescribed expiration period to ensure effective implementation or that senior management has accepted the risk of not taking action.

Suggestion 2:

We recommend the County Audit Department eliminate the prescribed expiration period and fully monitor outstanding recommendations.

We extend our thanks to you, your staff, and the County Clerk and Comptroller for the cooperation extended to us during our review.

Sincerely,



Hoa Quach, MBA, CPA, CIA, CISA, CFE
City Auditor
City of Edmonton
Edmonton, Alberta, Canada



Jennifer Osteen
Internal Auditor
City of Clarksville
Hopkinsville, Kentucky, United States



Cindy Stuart

CLERK OF COURT & COMPTROLLER
HILLSBOROUGH COUNTY

Hoa Quach, MBA, CPA, CIA, CISA, CFE
Peer Review Lead
City Auditor, City of Edmonton

Jennifer Osteen
Peer Review Team
Internal Auditor, City of Clarksville

November 2, 2022

Mr. Quach and Ms. Osteen -

Thank you both for the thorough and professional external quality control review of the Hillsborough County Clerk and Comptroller's, County Audit Department. We greatly appreciate the time, effort and diligence you have put forth to provide us with this value added service.

We take pride in the fact that you were able to conclude that our audit function continues to operate in full conformance with *The Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing*.

We are committed to continuously improving the services we deliver through our audit process. The suggestions you have provided to further enhance these processes through more frequent approvals of our audit charter and updates to our follow-up activities are adjustments which we plan to accommodate immediately.

Sincerely,

Heidi Pinner

Together, we will get to YES!
Heidi Pinner, CIA CISA CFE CRMA
Chief Audit Executive, County Audit

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P.O. Box 1110, Tampa, FL 33601-1110



**The Association of Local Government Auditors
Awards this**

Certificate of Compliance

to

**Hillsborough County Clerk of
Court and Comptroller**

Recognizing that the organization's internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with the *International Standards for the Professional Practice of Internal Auditing* for assurance and consulting engagements during the period October 1, 2017 through September 30, 2022.

Corrie Stokes

Corrie Stokes
ALGA Peer Review Committee Chair