



PEER REVIEW REPORT
November 14, 2014

Mr. Aaron Allred, Legislative Auditor
Office of the Legislative Auditor
State Capitol Complex, Room W-314
1900 Kanawha Blvd. East
Charleston, WV 25305-0610

Dear Mr. Allred:

We have reviewed the system of quality control of the West Virginia Legislative Auditor's Office Performance Evaluation and Research Division (the division) in effect for the period August 1, 2013 through September 30, 2014. A system of quality control encompasses the division's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The design of the system and compliance with it are the responsibility of the division. Our responsibility is to express an opinion on the design of the system and the division's compliance with the system based on our review.

We conducted our review in accordance with the policies and procedures for external peer reviews established by the National State Auditors Association (NSAA). In performing our review, we obtained an understanding of the division's system of quality control for engagements conducted in accordance with professional standards. In addition, we tested compliance with the division's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the division's policies and procedures on selected engagements. The engagements selected represented a reasonable cross-section of the division's engagements conducted in accordance with professional standards. We believe that the procedures we performed provide a reasonable basis for our opinion.

Our review was based on selective tests; therefore, it would not necessarily disclose all design matters in the system of quality control or all compliance matters with the system. Also, there are inherent limitations in the effectiveness of any system of quality control; therefore, noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control of the West Virginia Legislative Auditor's Office Performance Evaluation and Research Division in effect for the period August 1, 2013 through September 30, 2014 has been suitably designed and was complied with during the period to provide the audit organization with reasonable assurance of performing and reporting in conformity with *Government Auditing Standards* in all material respects. Audit organizations can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. The West Virginia Legislative Auditor's Office Performance Evaluation and Research Division has received a peer review rating of *pass*.

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