



NATIONAL CONFERENCE of STATE LEGISLATURES

The Forum for America's Ideas

Date: December 20, 2017

To: Denny Rhodes, Director
West Virginia Post Audit Division

From: Greg Fugate, Audit Manager
Colorado Office of the State Auditor

Marcia Lindsay, Deputy Director
South Carolina Legislative Audit Council

Brenda Erickson
NCSL Liaison to NLPES

Subject: 2017 Peer Review of the West Virginia Post Audit Division

Deb Peters
*Senator – District 9
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Office of Budget Review
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Staff Chair, NCSL*

William T. Pound
Executive Director

At your request, and under the terms of a 2017 contract executed with the National Conference of State Legislatures (NCSL), we reviewed the system of quality control of the West Virginia Post Audit Division in effect for a three-year compliance period from 2014 to 2017. A system of quality control encompasses the office'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 office. Our responsibility is to express an opinion on the design of the system and the office's compliance with the system based on our review.

Section 3.101 of *Government Auditing Standards, 2011 Revision* (i.e., the Yellow Book or GAGAS) by the Comptroller General of the United States allows the peer-reviewed agency to receive one of three possible ratings—pass, pass with deficiencies, or fail.

In the peer review team's opinion, the West Virginia Post Audit Division has a quality control system that is suitably designed and followed, providing reasonable assurance that the office is performing and reporting performance audit engagements in conformity with applicable *Government Auditing Standards* for the period reviewed. Based on its professional judgment, the peer review team gives a rating of "pass" to the West Virginia Post Audit Division.

The team's assessment is based on observations made during an onsite visit conducted October 22-27, 2017. During this visit, the team reviewed the office's audit-related policies and procedures, four performance audits and continuing professional education records. Team members also interviewed the three members of the Post Audit Subcommittee, five legislative staff from outside PAD, PAD office managers and selected PAD staff. The team notes that the conduct of the peer review work was not impaired in any way. To the extent allowed under West Virginia law, team members were granted access to relevant reports, working papers, supporting documentation and staff.

The peer review team appreciates the courtesy and cooperation extended to us in conducting this review. We commend you for your willingness to contract for this peer review to independently confirm the quality of your performance audits.