



Association of Local Government Auditors

July 31, 2009

Mr. Farid Saffar, Audit Director
Internal Audit Division
Office of the Controller
200 N. Main Street, Suite 460
Los Angeles, CA 90012

Dear Mr. Saffar,

We have completed a peer review of the Internal Audit Division of the Los Angeles Controller's Office for the period January 1, 2006 through December 31, 2008. 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 if 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. 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 Internal Audit Division's internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* for audit engagements during the period under review.

We have attached a letter recommending improvements to further strengthen your internal quality control system.

Lynda Brouchoud
Team Leader
City of Palo Alto, CA

Deborah Taylor
Team Member
Jackson County, OR

Janet Sutter
Team Member
Orange County Transportation Authority

cc: Ms. Wendy Greuel, City Controller
Ms. Claire Bartels, Deputy Chief Controller