



National State Auditors Association

September 17, 2009

Mr. Brian Sonntag
State Auditor
Insurance Building
Capitol Campus
Olympia, WA 98504

Dear Mr. Sonntag:

We have reviewed the system of quality control established by the Washington State Auditor's Office (the office) for performance audits, in effect for the period July 1, 2006 through June 30, 2009. 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 conforming with government auditing standards. 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.

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 office's system of quality control for performance audit engagements conducted in accordance with government auditing standards. In addition, we tested compliance with the office's quality control policies and procedures for performance audit engagements to the extent we considered appropriate. These tests covered the application of the office's policies and procedures on selected performance audit engagements. The engagements selected represented a reasonable cross-section of the office's performance audit engagements conducted in accordance with government auditing 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 weaknesses in the system of quality control or all instances of lack of compliance with it. 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 governing the conduct of performance audits of the Washington State Auditor's Office for the period July 1, 2006 through June 30, 2009 has been suitably designed and was complied with during the period to provide reasonable assurance of conforming with government auditing standards.

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