



AASHTO Peer Review of the
Alabama Department of Transportation
Bureau of Finance and Audits – External and Internal Audit Section

Review Period
October 1, 2008 through September 30, 2009

Peer Review Team Members

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April 29, 2010

Mr. Lamar McDavid
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Objective

The primary objective was to perform a peer review of the quality control system in effect for the Alabama Department of Transportation, Bureau of Finance & Audits – External and Internal Audit Sections for the period October 1, 2008 through September 30, 2009. Our review was conducted in conformity with the Peer Review Bylaws and other guidelines of the American Association of State Highway and Transportation Officials Standing Committee on Administration, Administrative Subcommittee on Internal and External Audit, along with those set forth under the U. S. Government Accountability Office's Government Auditing Standards (July 2007 Revision).

Scope

The scope of the review included:

- Questionnaires completed by various individuals in the Alabama Department of Transportation.
- Solicitation of comments from management of the areas audited, reviewed, or examined during the period under review concerning the scope, nature, and quality of services received.
- Interviews, as necessary, held with members of the senior management and auditing staff of the Alabama Department of Transportation.
- A review of the Bureau of Finance & Audits – External and Internal Audit Sections internal control system and the quality control policies, procedures, practices, and information used for managing the audit group.

- An examination of a sample of audits, reviews, or examination files completed during the review period sufficient to provide a reasonable basis to render an opinion as to whether policies and procedures were being complied with to provide the Alabama Department of Transportation, Bureau of Finance & Audits – Internal and External Audit Sections with reasonable assurance of conforming with professional standards in the conduct of their work.
- Fieldwork conducted at the Alabama Department of Transportation from April 28, 2010 through April 29, 2010.

Opinion

Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, 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.

Based on our review, it is the opinion of the Peer Review Team that the Alabama Department of Transportation, Bureau of Finance & Audits – External and Internal Audit Sections complies with the Peer Review Bylaws and other guidelines of the American Association of State Highway and Transportation Officials Standing Committee on Administration, Administrative Subcommittee on Internal and External Audit and those of the U.S. Government Accountability Office's Government Auditing Standards (2007 Revision).

The expressed opinion implies that the internal quality control system found within this area was adequate and the quality control policies and procedures were being complied with to provide the audit organization with reasonable assurance of conforming with the applicable professional standards.


Valerie A. Wales-Beatty, Team Leader

 10-8-10
Alice S. Wilson, for the Peer Review Panel