



External Quality Control Review

of the
Port Authority of Allegheny
County's Internal Audit
Department

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**
for the period July 1, 2012 through December 31,
2015



Association of Local Government Auditors

March 23, 2016

Sheila Dillard, Director of Internal Audit
Port Authority of Allegheny County
Heinz Building
345 Sixth Avenue – 3rd Floor
Pittsburgh, PA 15222

Dear Ms. Dillard,

We have completed a peer review of the Port Authority of Allegheny County's Internal Audit Department for the period July 1, 2012 through December 31, 2015. 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 whether 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. Our procedures included:

- Reviewing the audit organization's written policies and procedures.
- Reviewing internal monitoring procedures.
- Reviewing a sample of audit and attestation engagements and working papers.
- Reviewing documents related to independence, training, and development of auditing staff.
- Interviewing auditing staff and management to assess their understanding of, and compliance with, relevant quality control policies and procedures.

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 Port Authority of Allegheny County's Internal Audit Department's internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* for audits and attestation engagements during the period July 1, 2012 through December 31, 2015.

We have prepared a separate letter noting particular areas of strength in your internal quality control system.

Mary Jo Emanuele, CIA, CGFM
Audit Manager
City of Kansas City, MO

Zachary Effting, CPA
Auditor
Lehigh County, PA



Association of Local Government Auditors

March 23, 2016

Sheila Dillard, Director of Internal Audit
Port Authority of Allegheny County
Heinz Building
345 Sixth Avenue – 3rd Floor
Pittsburgh, PA 15222

Dear Ms. Dillard,

We have completed a peer review of the Port Authority of Allegheny County's Internal Audit Department for the period July 1, 2012 through December 31, 2015 and issued our report thereon dated March 23, 2016. There are no formal observations or suggestions stemming from our review. However, we would like to mention some of the areas in which we believe your office excels:

- Members of your office exhibit a sense of teamwork and unity that contributes to quality work.
- The creation of a "planning packet" since your previous peer review has proven to be effective in ensuring compliance with the general and independence Government Auditing Standards.
- The office, as a whole, is receptive to feedback and displays a commitment to seeking ways to improve processes and ensure continued compliance with Government Auditing Standards.

We extend our thanks to you, your staff and the other Port Authority officials we met for the hospitality and cooperation extended to us during our review.

Sincerely,

Mary Jo Emanuele, CIA, CGFM
Audit Manager
City of Kansas City, MO

Zachary Effting, CPA
Auditor
Lehigh County, PA



March 23, 2016

Mary Jo Emanuele, CIA, CGFM and
Zachary Effting, CPA

Dear Mary Jo and Zachary,

In response to our first ALGA Peer Review and the reports issued, I am very pleased with the very professional Peer Review process that ALGA has in place. Both you and Zachary were ultimate professionals in conducting our review with as little disruption to our daily process as possible. Your familiarity with the application of the Peer Review process and knowledge of the Government Auditing Standards were valuable to department members and the Peer Review process and we appreciate the time and effort put forth in performing our review.

Mary Jo I also recognize your outstanding coordination effort as both the Region I Coordinator and Team Leader on the Peer Review, to ensure the review was performed as efficiently as possible. Your continued contact helped to reassure me of the quality effort that would be put forth during the Peer Review fieldwork in our office. I would also like to thank Matt Weller, Peer Review Committee Chair for approving the performance of the Peer Review.

Yours Truly,

Sheila Dillard

Director of Internal Audit Department

Port Authority of Allegheny County
Heinz 57 Center
345 Sixth Avenue – 3rd Floor
Pittsburgh, PA 15222-2527
Phone -- 412-566-5129
Fax -- 412-237-6489
sdillard@portauthority.org

cc: Mike Cetra
Maria Nickerson, CPA