**State of Alabama**
**Department of**
**Examiners of Public Accounts**

**Peer Review Report**
**For the Period**
**June 1, 2014 through May 31, 2015**

National State
Auditors Association
*An Affiliate of NASACT*

NSAA

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**July 31, 2015**

Ronald L. Jones, Chief Examiner
Alabama Department of Examiners of Public Accounts
50 North Ripley Street, Room 3201
Montgomery, Alabama 36104

Dear Mr. Jones:

We have reviewed the system of quality control of Alabama Department of Examiners of Public Accounts (the office) in effect for the period June 1, 2014 through May 31, 2015. 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.

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 engagements conducted in accordance with professional standards. In addition, we tested compliance with the office's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the office's policies and procedures on selected engagements. The engagements selected represented a reasonable cross-section of the office's engagements conducted in accordance with professional 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 design matters in the system of quality control or all compliance matters with the system. 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 of Alabama Department of Examiners of Public Accounts in effect for the period June 1, 2014 through May 31, 2015 has been suitably designed and was complied with during the period to provide the audit organization with reasonable assurance of performing and reporting in conformity with *Government Auditing Standards* in all material respects. Audit organizations can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. The Alabama Department of Examiners of Public Accounts has received a peer review rating of *pass*.

Charles Babbitt, CPA
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