



NSAA

National State
Auditors Association
An Affiliate of NASACT

External Peer Review

State of Arizona

Office of the Auditor General

FOR THE PERIOD July 1, 2024 — June 30, 2025





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October 2, 2025

Lindsey A. Perry, CPA, CFE
Auditor General
Arizona Office of the Auditor General
2910 North 44th St., Suite 410
Phoenix, Arizona 85018-7271

Subject: Transmittal of NSAA Peer Review Opinion Letter

The enclosed Peer Review Opinion Letter formally communicates the results of the external peer review conducted by our team under the National State Auditors Association (NSAA) Peer Review Program and its accompanying opinion. This program, which is recognized by the U.S. Government Accountability Office in the Generally Accepted Government Auditing Standards (GAGAS), evaluates whether a state audit organization's system of quality control is (1) suitably designed to meet professional standards and (2) operating effectively to provide reasonable assurance of compliance with those standards. Every audit organization that conducts engagements in accordance with GAGAS is required by those standards to obtain an external peer review at least once every three years.

The peer review process is an essential component of maintaining the quality and integrity of government auditing and is conducted by independent professionals with expertise in audit practices. A peer review is conducted to promote accountability, transparency, and continuous improvement in the audit organization's practices. Audit organizations can receive a rating of pass, pass with deficiencies, or fail. Further details about the NSAA Peer Review Program, are available on the association's [website](http://www.nasact.org/peer_review_public) at www.nasact.org/peer_review_public.

We are grateful for the cooperation and transparency shown by the Arizona Office of the Auditor General throughout the process. We recognize and commend the hard work and dedication of your staff in preparing for our peer review team.

Sincerely,

A handwritten signature in blue ink that reads 'Zach Wells'.

Zach Wells, CPA

Team Lead, National State Auditors Association, External Peer Review Team



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PEER REVIEW REPORT

October 2, 2025

We have reviewed the system of quality control of the Arizona Office of the Auditor General (the Office) in effect for the period July 1, 2024, through June 30, 2025. 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.

Opinion

In our opinion, the system of quality control of the Arizona Office of the Auditor General in effect for the period July 1, 2024, through June 30, 2025 has been suitably designed and complied with to provide the Office 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 deficiencies, or fail. **The Arizona Office of the Auditor General has received a peer review rating of pass.**

Basis for Opinion

Our review was conducted in accordance with *Government Auditing Standards* and the policies and procedures for external peer reviews established by the National State Auditors Association.

In planning our review, we obtained an understanding of the Office's system of quality control for engagements conducted in accordance with professional standards sufficient to assess the risks implicit in its audit function. Based on our assessments, we tested compliance with the Office's quality control policies and procedures to the extent we considered appropriate. These tests included 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. Our procedures included:

- Gaining an understanding of the Office's organizational structure, relevant audit mandates, and personnel involved in the quality control process.
- Gaining an understanding of the population and relevant attributes of engagements performed during the period.
- Reviewing the Office's written policies and procedures for conducting engagements.
- Evaluating elements of the quality control system, as described in *Government Auditing Standards*.
- Conducting a survey of audit staff regarding their understanding and compliance with professional standards.
- Visiting the Office's headquarters in Phoenix, Arizona.
- Interviewing staff and management regarding their understanding and application of professional standards.
- Assessing independence, qualifications, and continuing professional education for a selection of staff who conduct the engagements.
- Reviewing reports and audit documentation for selected engagements to determine compliance with professional standards and the Office's policies.

We believe that the procedures we performed provide a reasonable basis for our opinion.

Responsibilities and Limitations

The Office is responsible for establishing and maintaining a system of quality control designed to provide reasonable assurance that engagements comply in all material respects with professional standards. 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.

There are inherent limitations in the effectiveness of any system of quality control; therefore, noncompliance with the system of quality control may occur and may 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 deteriorate due to changes in the system or changes in the conditions within which the system operates.

When an Office receives a peer review rating of pass, it means that the Office's system of quality control is appropriately designed and is being complied with to provide the Office with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects.



Zach Wells, CPA
Team Leader
National State Auditors Association
External Peer Review Team



Krista Baker-Hernandez, CIA, CGAP, CRMA, MPP
Concurring Reviewer
National State Auditors Association
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