DGS

MEMORANDUM

Date: February 23, 2009 File No.: 8176

To: A. G. Kawamura, Secretary
California Department of Food and Agriculture
1220 N Street, Room 409
Sacramento, CA 95814

From: Department of General Services
Office of Audit Services

Subject: QUALITY CONTROL REVIEW OF CONTRACT APPROVAL EXEMPTION AUDIT

This report presents the results of our quality control review of an internal audit conducted of the California Department of Food and Agriculture's (CDFA) contracting program. The audit was conducted by CDFA's Audit Office.

As a condition of CDFA's exemption (Exemption Letter No. 28.5) from the Department of General Services' (DGS) approval of its contracts under $75,000, two audits were required to be performed of the department's contracting program during the exemption period of July 1, 2004 through June 30, 2008. On September 4, 2007, the Audit Office issued an audit report which presented the results of the second audit required under the terms of the exemption. Public Contract Code Section 10352 requires the DGS to perform a quality control review of the audit.

The objectives of our quality control review were to determine: (1) if the internal audit was conducted in accordance with an audit guide issued by the DGS; and, (2) if reported findings are being appropriately addressed by the CDFA's management. Based on our interviews of audit staff and review of the working papers prepared to support audit tests, and our performance of other procedures as deemed necessary, we concluded that the audit was conducted in accordance with the DGS' audit guide and that management indicated a commitment to take appropriate actions to address reported findings.

We greatly appreciated the cooperation and assistance provided by CDFA's audit staff.

If you need further information or assistance on this report, please contact me at (916) 376-5058, or Dennis Miras, Audit Supervisor, at (916) 376-5064.

Rick Gillam

RICK GILLAM, CPA, CIA
Chief, Office of Audit Services

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