



ASSOCIATION OF PACIFIC ISLANDS PUBLIC AUDITORS

June 1, 2009

Ms. Atmita Jonathan, Acting Auditor General
Office of the Auditor-General
Republic of the Marshall Islands
P. O. Box 245
Majuro, MH 96960

Dear Ms. Jonathan:

A peer review of the internal quality control system of the Office of the Auditor General for the Republic of the Marshall Islands has been completed for the period September 1, 2005 through September 30, 2008. In conducting our review, we followed the standards and guidelines contained in the *Peer Review Guide* published in July 2006, by the Association of Pacific Islands Public Auditors (APIPA).

As prescribed by the *APIPA Guide*, we reviewed the internal quality control system of your Office and tested a sample of audits conducted by your Office in order to determine if the internal quality control system operated to provide reasonable assurance of compliance with *Government Auditing Standards* issued by the Comptroller General of the United States. 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.

We have concluded from our review that, except for the deficiency noted below, in our opinion the Office of the Auditor General's internal quality control system was suitably designed and provides reasonable assurance of compliance with *Government Auditing Standards* for audits during the period September 1, 2005 through September 30, 2008. We have also concluded from the sample of audits tested that, except for the deficiency noted below, your quality controls were working effectively and that audits were conducted in conformance with *Government Auditing Standards* during the period of our review.

The deficiency found in the internal quality control system concerned the signing of financial audit reports. *Government Auditing Standards, Chapter 3- General Standards, under § 3.44 – Additional Qualifications for Financial Audits and Attestation Engagement* states, in part, Auditors engaged to perform financial audits should be licensed certified public accountants or persons working for a licensed certified public accounting firm or a government auditing organization. Neither the current Acting Auditor General nor the late Auditor General is a licensed certified public accountant. However, both have been signing financial audit reports

