

October 17, 2007

To the Director of the State of Oklahoma Department of Central Services:

We have reviewed the system of quality control for the performance auditing practice of the State of Oklahoma Department of Central Services Auditing Unit (the Unit) in effect for the year ended June 30, 2007. A system of quality control encompasses the Unit's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of CPAs (AICPA). The Unit is responsible for designing a system of quality control and complying with it to provide the Unit reasonable assurance of conforming with professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the Unit's compliance with its system of quality control based on our review.

Our review was conducted in accordance with applicable standards established by the Peer Review Board of the AICPA. During our review, we read required representations from the Unit, interviewed Unit personnel and obtained an understanding of the nature of the Unit's performance auditing practice, and the design of the Unit's system of quality control sufficient to assess the risks implicit in its practice. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with the Unit's system of quality control. The engagements selected represented a reasonable cross-section of the Unit's performance auditing practice with emphasis on higher-risk engagements. (The engagements selected included performance audits of Lottery Purchase Cards Policies and Procedures, the Department of Mental Health Purchase Cards and Procurement Policies and Procedures, and Licensed Architects Procurement Policies and Procedures, all engagements performed under *Government Auditing Standards*.) Prior to concluding the review, we reassessed the adequacy of the scope of the peer review procedures and met with Unit management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

In performing our review, we obtained an understanding of the system of quality control for the Unit's performance auditing practice. In addition, we tested compliance with the Unit's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the Unit's policies and procedures on selected engagements. Our review was based on selected tests therefore it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it. There are inherent limitations in the effectiveness of any system of quality control and 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.

**CRAWFORD & ASSOCIATES, P.C.**

In our opinion, the system of quality control for the performance auditing practice of State of Oklahoma Department of Central Services Auditing Unit (the Unit) in effect for the year ended June 30, 2007, has been designed to meet the requirements of the quality control standards for a performance auditing practice established by the AICPA and was complied with during the year then ended to provide the Unit with reasonable assurance of conforming with professional standards.

A handwritten signature in cursive script, appearing to read "Crawford & Associates, P.C.", written in dark ink.

Crawford & Associates, P.C.