



July 20, 2022

Mr. James Bennett
Bennett & Associates CPA's, PLLC
100 Huronview Blvd, Suite 200
Ann Arbor, Michigan 48103

Dear Mr. Bennett:

The Office of Inspector General is committed to improving the quality of non-federal audits. In accordance with our responsibilities for audit work performed by non-federal auditors on federal programs, attached is the quality control review (QCR) of the audit of Great Lakes Observing System Regional Association as of and for the year ended June 30, 2020. The single audit was performed by your firm Bennett & Associates CPAs, PLLC. On our behalf, McBride, Lock & Associates, LLC, performed this QCR to ensure that the audit was conducted in accordance with generally accepted auditing standards (GAAS), *Generally Accepted Government Auditing Standards* (GAGAS), the requirements of federal regulations at Title 2 C.F.R. Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (*Uniform Guidance*), including its Compliance Supplement.

Please see the enclosed review performed by McBride, Lock & Associates, LLC, for further details on the QCR's scope and methodology.

Firms can receive a QCR rating of *pass*, *pass with deficiency(ies)*, or *fail*. McBride, Lock & Associates, LLC, provided the QCR draft report dated March 14, 2022, for the audit for the year ended June 30, 2020. Upon consideration of your response to the draft report, McBride, Lock & Associates, LLC, recommended a QCR rating of a *pass with deficiencies*. An audit with a QCR rating of *pass with deficiencies* is an audit for which the audit documentation contains quality deficiencies that should be brought to the attention of the auditor (and auditee, where appropriate) for correction in future audits.

In our opinion—based on the review of McBride, Lock & Associates, LLC, audit report, discussions with them, the related audit documentation, and your firm's written comments on the QCR draft report—the QCR rating of the audit for the year ended June 30, 2020, is a *pass with deficiencies*. A copy of your firm's written comments appears as the appendix to the enclosed QCR.

Your firm should evaluate the audit documentation related to the deficiencies detailed in the enclosed report to identify any additional audit procedures needed to ensure that the audit documentation meets GAAS, GAGAS, the requirements of *Uniform Guidance*, and the Compliance Supplement. If additional audit work is deemed to be necessary to support the opinions contained in the audit, your firm should follow the provisions of *AICPA Professional Standards'* Statement on Auditing Standards in AU-C § 585 and AU-C § 935.43 with respect to reissuance of the audit.

We are sending this letter and the accompanying McBride, Lock & Associates, LLC, QCR to officials at the other federal agencies with direct expenditures listed on the Schedule of Expenditures of Federal Awards to inform them of the results of this review.

This letter—as well as the McBride, Lock & Associates, LLC, QCR—will be posted on the Office of Inspector General’s website pursuant to section 8M of the Inspector General Act of 1978, as amended (5 U.S.C. App., § 8M).

We appreciate the cooperation and courtesies your staff extended to McBride, Lock and Associates, LLC, during the QCR. Please direct any inquiries regarding this report to me at (202) 482-2877 or Belinda Riley, Supervisory Auditor, at (202) 527-0544.

Sincerely,



Richard Bachman
Assistant Inspector General for Audit and Evaluation

Enclosure

cc: Kelli Paige, Executive Director, Great Lakes Observing System Regional Association
Robert Lock, McBride, Lock & Associates, LLC
Morgan Aronson, National Single Audit Coordinator, U.S. Department of Interior OIG
Olivia Bradley, Senior Procurement Executive and Director of the Office of Acquisition Management, Department of Commerce
John Geisen, Director, Financial Assistance Policy and Oversight Division, Department of Commerce
Arlene Simpson-Porter, Director Grants Management Division, NOAA
Tanisha Bynum-Frazier, Director, Audit and Information Management Office
Lisa Lim, Audit Liaison, NOAA
Floyd Spriggs, Audit Liaison, NOAA
MaryAnn Mausser, Audit Liaison, Office of the Secretary
Rehana Mwalimu, Risk Management Officer and Primary Alternate Department GAO/OIG Liaison, Office of the Secretary

**QUALITY CONTROL REVIEW
OF
BENNETT & ASSOCIATES CPAs PLLC
On the Audit of
Great Lakes Observing System Regional Association
As of and for the year ended June 30, 2020**

McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS
KANSAS CITY

4151 N. Mulberry Drive, Suite 275
Kansas City, Missouri 64116
T: (816) 221.4559
F: (816) 221.4563
E: Admin@McBrideLock.com

McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

March 14, 2022

Mr. James Bennett
100 Huronview Blvd
Ann Arbor, Michigan 48103

Subject: Quality Control Review of the Great Lakes Observing System Regional Association

Dear Mr. Bennett,

We are pleased to submit the report of our Quality Control Review (QCR) of the audit of the Great Lakes Observing System Regional Association as of and for the year ended June 30, 2020 performed by Bennett & Associates CPAs PLLC in accordance with generally accepted auditing standards published by the American Institute of Certified Public Accountants and generally accepted government auditing standards issued by the Government Accountability Office.

Scope of Services

The objective of our review was to perform a QCR:

1. To determine whether the financial statement audit work, compliance audit work, and the associated review of internal controls over both financial reporting and compliance were conducted in accordance with applicable standards, including GAGAS and the published guidance of the OIG, the American Institute of Certified Public Accountants standards as well as Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and including its Compliance Supplement.
2. To identify any issues that may require additional attention or any additional audit work by the Independent Public Accountant who performed the audit.

Methodology

We performed our review using the *Guide for Quality Control Reviews of Single Audit Reports* (the “Guide”) issued by the Council of Inspectors General on Integrity and Efficiency (2021 Edition) as adapted to consider the guidance required for the Uniform Guidance. In performing the review we met with the engagement partner and obtained supporting audit workpapers. Prior to initiating efforts, the Department of Commerce-OIG provided the audit report to be reviewed.

Overview of Procedures Performed and Related Findings

We reviewed the audit report issued on Great Lakes Observing System Regional Association as of and for the year ended June 30, 2020. We reviewed the audit report, using the Guide, to ensure that it included and met the requirements of Government Auditing Standards and the standards for financial audits issued by the AICPA. We reviewed the audit workpapers using the Guide and the evidence documented in the audit workpapers. In each area, we evaluated whether or not the testing performed, results documented, financial statements presented, and findings reported were consistent with and supported the independent accountants report identified in the first paragraph of this report.

Results

Dual Purpose Testing

The auditor performed payroll and non-payroll testing during the audit process. The tests were dual-purpose test which included internal control and compliance testing. The test was not planned or performed to define the internal control or compliance attributes in the testing documentation. The conclusions were also not clear regarding the internal control and compliance attributes of the test.

AAG-GAS 10.41 and 11.54-.59 states the auditor’s documentation of internal control and compliance tests include a clear distinction between the audit objectives and test results for each test so that separate conclusions are reached on the internal control attributes and compliance attributes tested.

This matter was discussed with the engagement partner on March 14, 2022.

Mr. James Bennett
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Based upon our review, the overall rating assigned to the auditor's work is Pass with Deficiencies.

This report is intended solely for the Department of Commerce Office of Inspector General.

Very truly yours,



McBride, Lock & Associates, LLC

RESPONSE BY CPA

June 13, 2022

To Robert Lock

McBride, Lock & Associates, LLC

Re: Quality Control Review of the Great Lakes Observing System Regional Association

We have received your Quality Control Review (QCR) of the audit of the Great Lakes Observing System Regional Association as of and for the year ended June 30, 2020 performed by Bennett & Associates CPAs PLLC in accordance with generally accepted auditing standards published by the American Institute of Certified Public Accountants and generally accepted government auditing standards issued by the Government Accountability Office.

In that report, you had the following finding:

Dual Purpose Testing

The auditor performed payroll and non-payroll testing during the audit process. The tests were dual-purpose test which included internal control and compliance testing. The test was not planned or performed to define the internal control or compliance attributes in the testing documentation. The conclusions were also not clear regarding the internal control and compliance attributes of the test.

AAG-GAS 10.41 and 11.54-.59 states the auditor's documentation of internal control and compliance tests include a clear distinction between the audit objectives and test results for each test so that separate conclusions are reached on the internal control attributes and compliance attributes tested.

Our response to the finding is as follows:

We concur with the finding.

Going forward, we will make a clear distinction between the audit objectives and test results for each test (internal control vs compliance), including separate conclusions.

We always appreciate the opportunity to improve our audit work.

Sincerely,



James H. Bennett, CPA

Managing Member

CONCLUSION

Conclusion

The conclusion is based on our review of the auditor's workpapers, the exit conference held on March 14, 2022, and the auditor's response.

Dual Purpose Testing

The auditor concurs with the finding. The corrective action for future period is responsive. No efforts to mitigate the current matter is provided, however necessary information to create such separate testing and conclusion would be available from the evidential matter obtained.