



E.C. ORTIZ & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

SYSTEM REVIEW REPORT

January 28, 2011

To the Partners of dmh Roe Meyer, S.C.
and the Peer Review Committee of the Wisconsin Institute of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of dmh Roe Meyer, S.C. (the firm) in effect for the year ended September 30, 2010. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included the engagement performed under *Government Auditing Standards* and an audit of an employee benefit plan.

We noted the following deficiencies during our review:

1. Deficiency—The firm's quality control policies and procedures require that professional standards are followed in the audit procedures performed and in audit working paper documentation. The firm's research and practice aids include appropriate means with which to document sampling plans and testing; analytical review procedures and conclusions; search for unrecorded liabilities and review of subsequent events; and risk assessment process and test of controls associated with major programs under OMB A-133 guidelines. However, on the engagements we reviewed, two of which were subject to *Government Auditing Standards*, we noted that the documentation of these audit steps was missing or incomplete. In addition, we noted that some audit programs and checklists steps were not completed. It must be noted that in all cases, the audit work performed was sufficient to support the firm's audit opinions.

Recommendation—The firm should review professional standards in the area of audit procedures and documentation and consider how to implement those standards into their engagements. The firm should establish monitoring quality control policies and procedures which require a review of the firm's compliance with its work paper documentation requirements. Work paper documentation should be a focus of the firm's annual inspections.

2. Deficiency—The firm's quality control policies and procedures require the firm to perform and document monitoring on a timely basis. However, there was not adequate documentation supporting any monitoring procedures performed. Had the firm performed and documented their monitoring procedures, the deficiencies noted on this peer review may have been detected and corrected.

Recommendation—The firm should formally document the monitoring procedures performed for its system of quality control. The firm can consider engaging a third party reviewer if current personnel could not undertake the monitoring requirements of its system of quality control.

In our opinion, except for the deficiencies described above, the system of quality control for the accounting and auditing practice of dmh Roe Meyer S.C. in effect for the year ended September 30, 2010 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. dmh Roe Meyer S.C. has received a peer review rating of *pass with deficiencies*.

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