

Section 1: Guideline for Office of Inspector General Quality Control and Assurance Programs

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Guide for Conducting External Peer Reviews of Audit Organizations of Federal Offices of Inspector General

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What I'll Talk About Today

- Purpose of Section 1
- System of Quality Control
- Peer Review Responsibilities
- Questions



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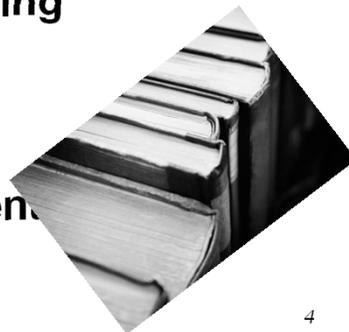
Section 1 Purpose

- **CIGIE guidance to help audit organization establish and maintain a system of quality control**



System of Quality Control

- **Why?**
 - **2011 GAS 3.82a (must)**
 - **to provide reasonable assurance of complying with professional standards and applicable legal and regulatory requirements.**



System of Quality Control

➤ **Consists of:**

- **Leadership**
- **Emphasis on performing high quality work**
- **Policies and procedures**



System of Quality Control

➤ **Structure Different, Depends on:**

- ✓ **Organization's size**
- ✓ **Number of offices**
- ✓ **Geographic dispersion**
- ✓ **Personnel knowledge and experience**
- ✓ **Nature and complexity of work**
- ✓ **Cost-benefit considerations**



I didn't fail the test. I just found 100 ways to do it wrong. –Benjamin Franklin

Leadership

- ✓ **Organizational and management culture**
- ✓ **Strategies – organizational growth, staff professional development**
- ✓ **Succession planning**
- ✓ **Comprehensive training program**
- ✓ **Other examples**



Leadership is unlocking people's potential to become better. —Bill Bradley
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Emphasis on Performing High Quality Work

- ✓ **Expectation of quality in audit organization**
- ✓ **Work complies independence, legal, and ethical requirements; standards; and policies and procedures**
- ✓ **Procedures for initiation, acceptance, and continuation of engagements**
- ✓ **People with applicable skills, education, experience, and knowledge**
- ✓ **Engagement performance, documentation, and reporting (multiple levels of reviews, independent referencing)**
- ✓ **Quality monitoring**
- ✓ **Other examples**



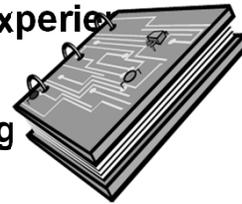
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Policies and Procedures

➤ **Should Address:**

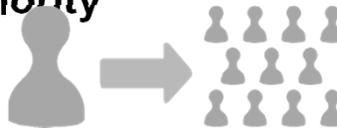
- ✓ Leadership responsibilities for quality in audit organization
- ✓ Independence, legal, and ethical requirements
- ✓ Initiation, acceptance, and continuation of engagements
- ✓ Human Resources - people have adequate skills, education, experience and knowledge
- ✓ Engagements performance, documentation, and reporting
- ✓ Quality monitoring



External Peer Review Team

Team Captain should:

- Have sufficient expertise and authority
- Document proper supervision
- Report to appropriate individual or level



External Peer Review Team

➤ **Team should**

- ✓ **Conduct risk assessment**
- ✓ **Give no advance notice**
- ✓ **Conduct sufficient testing**
- ✓ **Ensure positive and constructive process**
- ✓ **Obtain sufficient, appropriate evidence**
- ✓ **Determine compliance with standards, regulations, and policies and procedures**
- ✓ **Prepare written results**
- ✓ **Make recommendations and obtain written comments**



External Peer Review

➤ **Reviewed OIG should:**

- ✓ **Provide documentation**
- ✓ **Ensure positive and constructive process**
- ✓ **Provide written comments**
- ✓ **Implement appropriate corrective actions**



Questions



For questions or comments on the revised guide, contact APRG@oig.treas.gov
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