

Appendix D: Attestation Engagements

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



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(Updated November 2012 – See inside
of cover for additional details)

Attestation Engagements Review

- GAGAS Chapter 6
- AICPA Statements on Standards for Attestation Engagements
 - For additional guidance, see AICPA's peer review checklists for attestation engagements at aicpa.org/members/div/practmon/systemreview.asp
- Review the OIG's attest policies and procedures

Attestation Engagements Review

- **Keep in mind**
 - There are 3 types of attestation engagements with different requirements as to type
 - ✓ Examinations—express opinion
 - ✓ Reviews—express conclusion
 - ✓ Agreed-upon procedures—issue a report
 - Auditors performing attestation engagements should comply with the AICPA general standard for criteria, the fieldwork and reporting standards, and the corresponding SSAEs. These are incorporated in GAGAS by reference.

Attestation Engagements Review

This is the step	What peer reviewer is looking for?
Independence	<ul style="list-style-type: none"> ➤ Conceptual Framework – Evaluate threats and safeguards? The auditor's evaluation must be documented. Professional judgment is used to evaluate threats and safeguards. ➤ Conflicts resolved? ➤ Modify GAGAS statement? ➤ After report?
Professional Judgment	<ul style="list-style-type: none"> ➤ Planning, Performing, Reporting? ➤ Reasonable care & professional skepticism? ➤ Ethical principles? ➤ Document significant decisions?
Competence	<ul style="list-style-type: none"> ➤ Education, experience, & skills? ➤ Knowledgeable subject matter & criteria? ➤ Met CPE requirements? ➤ Qualifications of specialists? Different CPE requirements for internal and external specialists.

Attestation Engagements Review

This is the step	What peer reviewer is looking for?
Quality Control	<ul style="list-style-type: none"> ➤ Relied on another audit organization's work? ➤ Ext QC report & letter of comments?
Criteria (AICPA standard)	<ul style="list-style-type: none"> ➤ Suitable – objective, measurable, complete & relevant? ➤ Available – publicly, clear, understood?
Field Work	<ul style="list-style-type: none"> ➤ Considered in planning? ➤ Services to be performed? ➤ Prior engagements? ➤ Sufficient understanding of IC (E)? ➤ Design for fraud (E)? Material effect on engagement (R/AUP)? ➤ Extend steps (R/AUP)?

Attestation Engagements Review

This is the step	What peer reviewer is looking for?
Field Work (Continued)	<ul style="list-style-type: none"> ➤ Abuse effect on subject matter (All)? ➤ Findings – C/C/E? Documentation sufficient? ➤ Dependent on IT? ➤ Plans nature, timing, extent of testing? ➤ Written representations from management? ➤ GAGAS compliance? ➤ Departures impact on conclusions and engagement?

Attestation Engagements Review

This is the step	What peer reviewer is looking for?
Reporting	<ul style="list-style-type: none"> ➤ Conformance with AICPA standards? ➤ Assertion? ➤ Character of engagement? ➤ Conclusion vs criteria? ➤ Significant reservations? ➤ Intended for use by specific parties? ➤ GAGAS compliance statement? ➤ Modified scope, reasons, affect?

Attestation Engagements Review

This is the step	What peer reviewer is looking for?
Reporting (continued)	<ul style="list-style-type: none"> ➤ Reports report ➤ significant deficiencies ➤ instances of fraud or illegal acts ➤ violations of contracts or grant agreements ➤ instances of abuse ➤ IC deficiencies ➤ known or likely fraud, illegal acts, violations, or abuse ➤ findings iaw GAGAS guidance ➤ views of responsible officials & planned corrective actions

Attestation Engagements Review

This is the step	What peer reviewer is looking for?
Reporting (continued)	<ul style="list-style-type: none"> ➤ Reports report ➤ identify validity, modify report, explain disagreements ➤ explain omissions (confidential/sensitive) ➤ submit to oversight and governance orgs, responsible officials
OIG Policies and Procedures	<ul style="list-style-type: none"> ➤ Follow OIG's QC policies & procedures ➤ Use checklists? ➤ Independent report referencing?

Attestation Engagements Review



If the reviewer concludes that the attestation engagement met professional standards, inadequate policies and procedures or noncompliance by the auditors with policies and procedures would ordinarily be reported as a finding in the Letter of Comment and not impact the peer review rating.