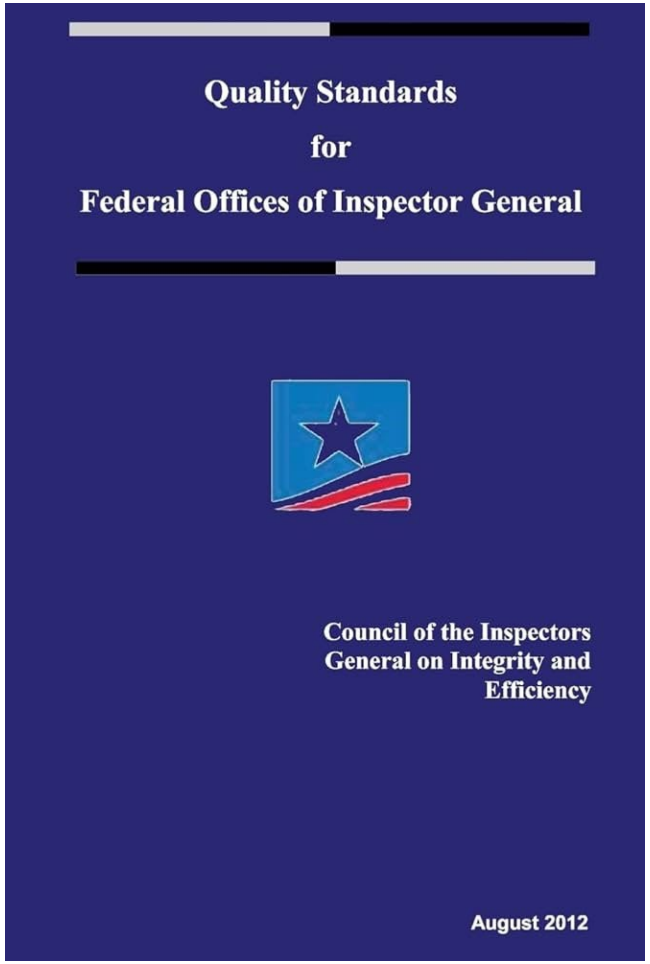
The Silver Book and Quality Assurance

March 2025

Learning Objectives

- ❖ Enhance awareness and understanding of principles and guidance related to Quality Assurance within Offices of Inspectors General.



Quality Standards for Federal Offices of Inspector General (Silver Book)

- ❖ Current Version: August 2012
- ❖ Adopted by the members of CIGIE
- ❖ Establishes quality standards for the management, operation, and conduct of the Federal Offices of Inspector General.

Why does the Silver Book exist?

Section I.A. Purpose

"Public office carries with it a responsibility to apply and account for the use of public resources economically, efficiently, and effectively. The OIGs have a special need for high standards of professionalism and integrity in light of the mission of the Inspectors General under the [IG Act]."

What are the Standards in the Silver Book Derived from?

Specifically mentioned in the body of the Silver Book:	Others mentioned in Appendix I include:
• IG Act (P.L. 95-452) • Single Audit Act (P.L. 104-156) • *Standards of Ethical Conduct for Employees of the Executive Branch* • Government Auditing Standards • CIGIE *Quality Standards for Inspection and Evaluation* • CIGIE *Quality Standards for Investigations*	• Standards for Internal Control in the Federal Government (Green Book) • OMB Circular A-123, *Management's Responsibility for Internal Control*

Contents of the Silver Book

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IV. Ensuring Internal Control

A. General Standard

B. Efficient and Effective Operations

C. Control Environment

D. Risk Assessment

E. Control Activities

F. Information and Communication

G. Monitoring

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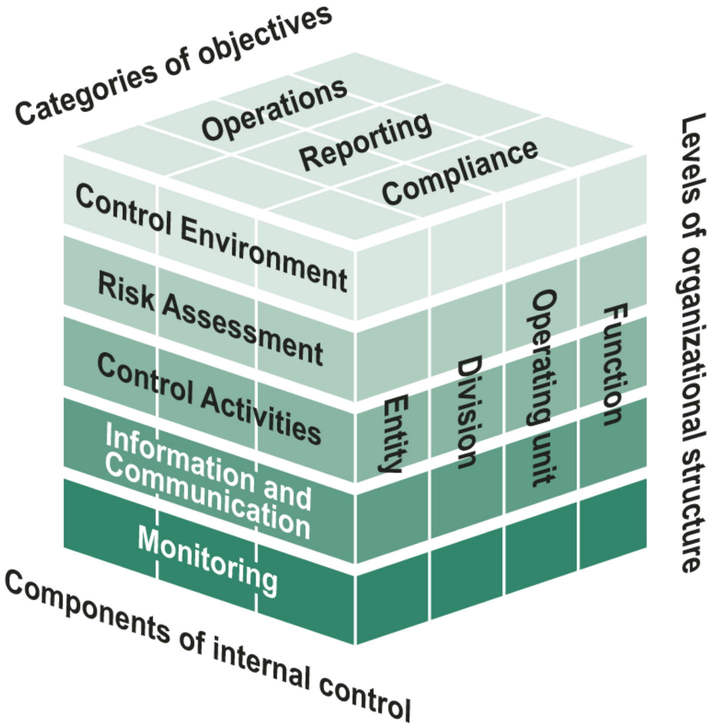


Sources: COSO and GAO. | GAO-14-704G

IV. Ensuring Internal Control

IV.G Monitoring

Establishes that OIGs should:

- Monitor/assess the quality of its performance over time.
- Ensure that findings and recommendations of quality assurance and other reviews are promptly resolved

Three Types of Monitoring Activities
1. Ongoing Monitoring
2. Self-Assessment Evaluations
3. Independent External Reviews (Quality Assurance Reviews)

IV.G Monitoring

V. Maintaining Quality Assurance

❖Shall establish and maintain a Quality Assurance Program

“A Quality Assurance Program is an evaluative effort conducted by reviewers external to the units/personnel being reviewed to ensure that the overall work of the OIG meets appropriate standards.”

Purpose of a Quality Assurance Program

"Because OIGs evaluate how well agency programs and operations are functioning, they have a special responsibility to ensure that their own operations are as effective as possible."

In other words,

OIGs should not have the same problems they identify in auditees!

Variability in Program Design

"The nature and extent of an OIG's quality assurance program depends on a number of factors, such as the OIG size, the degree of operating autonomy allowed its personnel and its offices, the nature of its work, its organizational structure, and appropriate cost-benefit considerations."

COMPONENTS OF A QUALITY ASSURANCE PROGRAM

1. Internal

2. External

Internal Quality Assurance Program

- <u>Can</u> include a review of all aspects of the OIG's operation.

- Distinct from regular management and supervisory activities.

Elements of an Internal Quality Assurance Program

- ❖ Must be structured and implemented to ensure an objective, timely, and comprehensive appraisal of operations.

- ❖ Should be conducted by internal OIG staff that are external to the activity or unit being reviewed.

Elements of an Internal Quality Assurance Program

- Quality Assurance Reviews <u>should</u> involve the same professional care as other OIG efforts, including:
  - Adequately Planned
  - Documented Findings
  - Supportable Recommendations
  - Soliciting Comments from those Reviewed

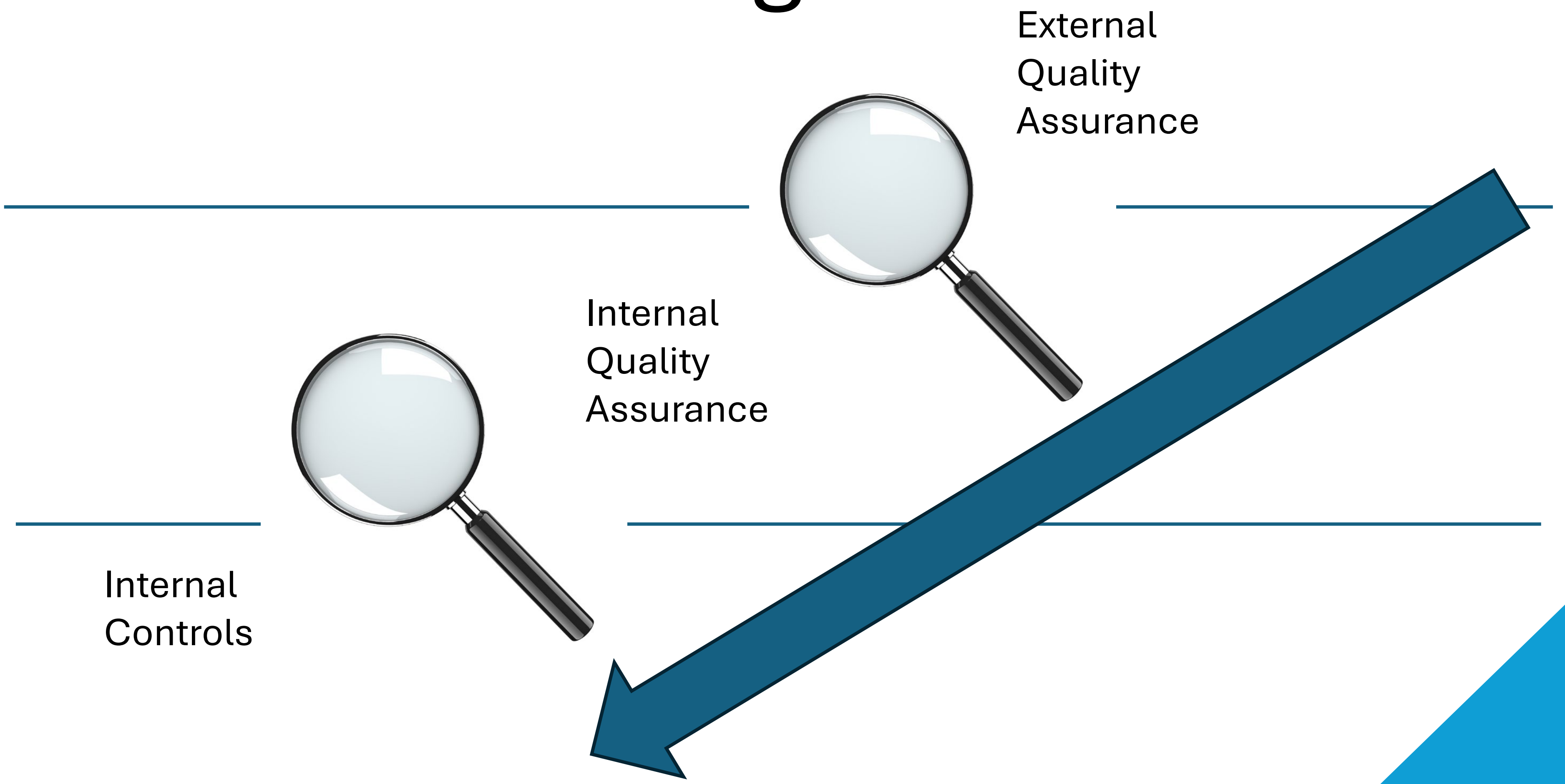
Elements of an External Quality Assurance Program

- Determines whether the internal controls system is in place and operating effectively
- Should be managed and conducted by highly qualified individuals/organizations and comply with CIGIE guidance
- Reviewers should be independent, knowledgeable, and use professional judgment in conducting and reporting results

Elements of an External Quality Assurance Program

- ❖ Should be sufficiently comprehensive to assess the internal quality assurance program meets its objectives
- ❖ Recipient OIGs should have procedures to address findings and recommendations
- ❖ Can be extended to cover other OIG operations

Levels of Oversight



Summary of Silver Book Quality Assurance Content

- ❖ Instructs OIGs to establish and maintain a Quality Assurance program.
- ❖ Describes the purpose of Quality Assurance programs.
- ❖ Provides general guidance and elements for Quality Assurance programs but does NOT dictate precisely how a given OIG's program should be structured or carried out.