
Appendix B

Checklist for Review of Adherence to General Standards

OIG UNDER REVIEW
& PERIOD REVIEWED:

REVIEWER(S):

DATE COMPLETED:

Note: The purpose of this Appendix is to test the Office of the Inspector General’s (OIG’s) policies and procedures described and evaluated in Appendix A, related to the General Standards of Independence, Competence, and Quality Control and Assurance in *Government Auditing Standards* (GAS). The nature and extent of the tests are dependent upon the OIG’s policies and procedures. The OIG’s compliance with the General Standard of Professional Judgment will be tested during the reviews of selected audits and attestation engagements.

Testing	Overall Conclusions
<p>1. INDEPENDENCE</p>	
<p>1.1 Review the OIG’s organizational placement within the structure of the Government entity to which it is assigned. Does the OIG’s reporting level within the department or agency result in an organizational impairment? (GAS, 3.13-3.15)</p> <p>1.2 If non-audit services were performed, did the OIG evaluate whether providing the services creates an independence impairment with respect to the entities they audit? Was the evaluation appropriate? (GAS, 3.20–3.29)</p> <p>1.3 Determine whether appropriate supplemental safeguards were implemented for maintaining auditor independence for certain non-audit services, if performed by the OIG. (GAS, 3.28 and 3.30)</p>	
<p>2. COMPETENCE</p>	
<p>2.1 Through interview and observation, determine whether audit staff has appropriate access to applicable audit standards and other reference material necessary for planning and performing its audit work. (GAS, 3.40)</p> <p>2.2 Review documentation associated with a sample of new hires to determine if the OIG adhered to policies and procedures regarding minimal education and experience requirements. (GAS, 3.40)</p> <p>2.3 Review personnel records or other documentation showing continuing professional education and training received for a sample of auditors to determine if they have met the requirements. As applicable, the testing should include internal specialists used on audits. (GAS, 3.46-3.49)</p>	

Testing	Overall Conclusions
<p>3. QUALITY CONTROL AND ASSURANCE</p>	
<p>3.1 Determine if the OIG is performing monitoring procedures that enable it to assess compliance with applicable professional standards and quality control polices and procedures for audits and attestation engagements. In making this determination, consider performing the following:</p> <p>a. Select a sample of quality assurance reports and review the supporting audit documentation to determine if:</p> <ul style="list-style-type: none"> • The quality assurance reports described the work performed and the scope of the work was sufficiently comprehensive; • The quality assurance reports were recent enough to be of value; • The documentation indicates that the quality assurance team performed all the work necessary to satisfy the review objectives; • The documentation indicates that the review was properly supervised; • The findings and recommendations were supported by adequate documentation; • The responsible official provided written comments for each recommendation setting forth the corrective action already taken or proposed; • The official’s comments were adequately assessed; and • The recommendations were tracked and followed up on to ensure corrective action was taken. 	
<p>b. For individual audits or attestation engagements examined by the external peer review team, determine which selected audits were also reviewed as part of the OIG’s quality control program. Compare the results of the external peer review team and the quality control review. If the external peer review team’s assessment disclosed deficiencies that the quality control review did not, determine why not. Assess the scope,</p>	

Testing	Overall Conclusions
<p>methodology, and execution of the quality control review to isolate any weakness. If problems are noted, expand the testing to other audits that have been the subject of quality control reviews and examine, as necessary, in order to reach a supportable conclusion regarding the adequacy of the OIG’s quality control program. (GAS, 3.53f)</p>	
<p>3.2 Determine if individuals performing monitoring collectively have sufficient expertise and authority for this role. (GAS, 3.53f)</p> <p>3.3 Determine if the OIG organization is analyzing and summarizing the results of its monitoring procedures at least annually, with identification of any systemic issues needing improvement, along with recommendations for corrective action. (GAS, 3.54)</p> <p>3.4 Determine if the OIG received an external peer review performed by reviewers independent of the audit organization being reviewed within the last 3 years. (GAS, 3.55)</p> <p>3.5 Determine whether the OIG communicated the overall results and the availability of its prior external peer review reports to appropriate oversight bodies. (GAS, 3.61) Note: The applicable GAGAS requirement for the prior external peer review report is GAS, 3.56.</p>	
<p>END OF CHECKLIST</p>	