



# At a Glance

## Why We Did This Project

The U.S. Environmental Protection Agency's Office of Inspector General operates and maintains a system of quality control designed to provide reasonable assurance that personnel performing audits comply with the generally accepted government auditing standards, known as GAGAS, and established OIG policies and procedures.

Quality assurance directors from the OIG's Office of Audit and Evaluation report annually on systemic issues identified during referencing and compliance monitoring reviews. They also make observations on compliance with GAGAS and OIG policy.

In addition, GAGAS requires that each organization performing audits in accordance with these standards have an external peer review. Peer reviews must be performed at least once every three years.

### This report addresses the following EPA OIG goal:

- *Improving OIG processes, resource allocation, and accountability to meet stakeholder needs.*

Address inquiries to our public affairs office at (202) 566-2391 or [OIG\\_WEBCOMMENTS@epa.oig](mailto:OIG_WEBCOMMENTS@epa.oig).

List of [OIG reports](#).

## Internal Quality Assurance Review of EPA OIG Audit Assignments Completed in Fiscal Year 2019

### What We Found

Internal compliance reviews of EPA OIG audit assignments completed in fiscal year 2019 found that the OIG complied with GAGAS and substantially complied with OIG policies and procedures. An external peer review conducted in FY 2018 also found that the EPA OIG's system of quality control was suitably designed and complied with, providing the OIG with reasonable assurance that audits were performed and reported in conformity with GAGAS.

**OIG audit reports issued in FY 2019 demonstrated high levels of compliance with OIG quality assurance procedures, receiving an average compliance score of 92 percent.**

As part of our internal quality assurance review, we evaluated the OIG's audit activities for reports issued during FY 2019 and found that the projects complied with GAGAS and generally complied with OIG policies and procedures. The average compliance monitoring score was 91.95 out of 100. Similar to FY 2017 and FY 2018, the only systemic issue identified was the estimation and approval of project time frames and cost estimates. This issue continued to occur in FY 2019, in part, because corrective actions for a related recommendation—which was originally issued in the FY 2017 quality assurance review report and reissued in the FY 2018 quality assurance review report—were not implemented until October 2019. When reports are not timely and current, their relevance and usefulness can be diminished.

In addition, our internal quality assurance review assessed the OIG's compliance with GAGAS independence and competence standards, and we did not identify any significant issues. However, while all staff met the continuing professional education requirement for the FY 2018–FY 2019 cycle, we found some minor discrepancies. The OIG should ensure that all training records of completion are adequately documented in the training records system. Additionally, the OIG should ensure that it is maintaining all personal impairment forms for record-keeping purposes.

Finally, our internal quality assurance review assessed the eight non-GAGAS reports issued by the EPA OIG in FY 2019 and found that four did not contain the required statement that the work was not performed in accordance with GAGAS. Additionally, we noted a significant increase in non-GAGAS work from the previous year. OIG Policy 101, *Project Management Handbook for Auditing*, has been revised to address these issues.

We make no recommendations in this report but will review the implementation of corrective actions taken to address our findings during the FY 2020 internal quality assurance review. The acting assistant inspector general for Audit and Evaluation agreed with our findings and committed to the continued monitoring of the corrective actions already in place.