

UNITED STATES GOVERNMENT
National Labor Relations Board
Office of Inspector General



System Review Report
On the
National Archives and
Records Administration's
Office of Inspector General

March 15, 2017



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To: James Springs, Inspector General
National Archives and Records Administration

We have reviewed the system of quality control for the audit organization of the National Archives and Records Administration Office of Inspector General (NARA OIG) in effect for the year ended September 30, 2016. A system of quality control encompasses NARA OIG's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of conforming with *Government Auditing Standards*. The elements of quality control are described in *Government Auditing Standards*. NARA OIG is responsible for establishing and maintaining a system of quality control that is designed to provide NARA OIG with reasonable assurance that the organization and its personnel comply with professional standards and applicable legal and regulatory requirements in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and NARA OIG's compliance therewith based on our review.

Our review was conducted in accordance with *Government Auditing Standards* and the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Guide for Conducting Peer Reviews of the Audit Organizations of Federal Offices of Inspector General dated September 2014. During our review, we interviewed NARA OIG personnel and obtained an understanding of the nature of the NARA OIG audit organization, and the design of NARA OIG's system of quality control sufficient to assess the risks implicit in its audit function. Based on our assessments, we selected audits and attestation engagements, collectively referred to as "audits", and administrative files to test for conformity with professional standards and compliance with NARA OIG's system of quality control. The audits selected represented a reasonable cross-section of NARA OIG audit organization, with emphasis on higher-risk audits. Prior to concluding the peer review, we reassessed the adequacy of the scope of the peer review procedures and met with NARA OIG management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

In performing our review, we obtained an understanding of the system of quality control for the NARA OIG audit organization. In addition, we tested compliance with NARA OIG's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of NARA OIG's policies and procedures on selected audits. Our review was based on selected tests; therefore, it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it.

There are inherent limitations in the effectiveness of any system of quality control, and, therefore, noncompliance with the system of quality control may occur and not be detected.

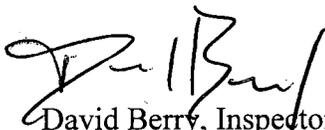
Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

Enclosure 1 to this report identifies NARA OIG offices that we visited and the audits that we reviewed.

In our opinion, the system of quality control for the audit organization of NARA in effect for the year ended September 30, 2016, has been suitably designed and complied with to provide NARA OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Audit organizations can receive a rating of pass, pass with deficiencies, or fail. NARA OIG has received an External Peer Review rating of pass.

As is customary, we have issued a letter dated March 15, 2017, that sets forth findings that were not considered to be of sufficient significance to affect our opinion expressed in this report.

In addition to reviewing its system of quality control to ensure adherence with *Government Auditing Standards*, we applied certain limited procedures in accordance with guidance established by the CIGIE related to NARA OIG's monitoring of audits performed by Independent Public Accountants (IPAs) under contract where the IPA served as the auditor. It should be noted that monitoring of audits performed by IPAs is not an audit and, therefore, is not subject to the requirements of *Government Auditing Standards*. The purpose of our limited procedures was to determine whether NARA OIG had controls to ensure IPAs performed contracted work in accordance with professional standards. However, our objective was not to express an opinion and accordingly, we do not express an opinion, on NARA OIG's monitoring of work performed by IPAs.



David Berry, Inspector General

Enclosures

SCOPE AND METHODOLOGY (Enclosure 1)

Scope and Methodology

We tested compliance with the NARA OIG audit organization's system of quality control to the extent we considered appropriate. These tests included a review of 2 of the 6 audit reports issued during the period October 1, 2015, through September 30, 2016. We also reviewed the internal quality control reviews performed by NARA OIG.

In addition, we reviewed NARA OIG's monitoring of audits performed by IPAs where the IPA served as the auditor during the period October 1, 2015, through September 30, 2016. During the period, NARA OIG contracted for the audit of its agency's Fiscal Year 2015 financial statements. NARA OIG also contracted for certain other audits that were to be performed in accordance with *Government Auditing Standards*.

We visited the Headquarters Office of the NARA OIG in College Park, Maryland.

Reviewed Engagements Performed by NARA OIG

Report No.	Report Date	Report Title
16-05	March 25, 2016	Audit of NARA's Publicly-Accessible Websites
16-06	April 19, 2016; May 6, 2016 (reissued)	Audit of NARA's Preparation and Planning for the Receipt of President Obama's Administration's Records and Artifacts

Reviewed Monitoring Files of NARA OIG for Contracted Engagements

Report No.	Report Date	Report Title
16-04	December 21, 2015	NARA FY 2015 Financial Statements Independent Audit Report performed by CliftonLarsonAllen LLP



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NATIONAL ARCHIVES *and* RECORDS ADMINISTRATION
8601 ADELPHI ROAD, RM 1300 COLLEGE PARK, MD 20740-6001
www.archives.gov

March 15, 2017

David Berry
Inspector General
National Labor Relations Board
Office of Inspector General
1015 Half Street S.E.
Washington, D.C. 20570

Dear Mr. Berry:

Thank you for the opportunity to comment on the draft System Review Report and draft Letter of Comment summarizing the results of the external peer review for the National Archives and Records Administration's Office of Inspector General (NARA OIG) Office of Audits.

We concur with the results of your review. Additionally, we are pleased with the rating of pass, and the opinion that our system of quality control has been suitably designed and complied with to provide NARA OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. We have no further comments on the draft documents.

We appreciate the professionalism with which your staff conducted this review. Should you have any questions, please contact Jewel Butler, Assistant Inspector General for Audits at 301-837-1732.

Respectfully,

James Springs
Inspector General