



NATIONAL ENDOWMENT FOR THE HUMANITIES

OFFICE OF INSPECTOR GENERAL

June 25, 2025

Ms. Carla Smith
Acting Inspector General
U.S. AbilityOne Office of Inspector General
355 E Street, SW; Suite 335
Washington, DC 20024

Subject: Modified Peer Review Report on the U.S. AbilityOne Office of Inspector General Audit Organization

Dear Ms. Smith:

Attached is the Modified Peer Review Report of the U.S. AbilityOne Office of Inspector General conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency *Guide for Conducting Peer Reviews of Audit Organizations of Federal Offices of Inspector General*. Your response to the report is included as Enclosure 1.

We appreciate the cooperation and courtesies extended during the review.

Regards,

A handwritten signature in black ink that reads "Laura Davis". The signature is fluid and cursive, with the first name "Laura" and last name "Davis" clearly distinguishable.

Laura Davis
Inspector General

Enclosure



NATIONAL ENDOWMENT FOR THE HUMANITIES

OFFICE OF INSPECTOR GENERAL

Modified Peer Review Report

June 25, 2025

Ms. Carla Smith
Acting Inspector General
U.S. AbilityOne Office of Inspector General
355 E Street, SW; Suite 335
Washington, DC 20024

Dear Ms. Smith:

The National Endowment for the Humanities (NEH) Office of Inspector General (OIG) reviewed established policies and procedures for the audit function of U.S. AbilityOne (AbilityOne) OIG in effect at September 30, 2024. Established policies and procedures are one of the components of a system of quality control to provide AbilityOne OIG with reasonable assurance of conforming to applicable professional standards. The components of a system of quality control are described in the *Government Auditing Standards*.

Based on our review, the established policies and procedures for the audit function at September 30, 2024 were current and consistent with applicable professional standards, as stated.

Monitoring of GAGAS Engagements Performed by Independent Public Accountants

In addition to reviewing established policies and procedures for the audit function of AbilityOne OIG, we applied certain limited procedures in accordance with guidance established by the Council of the Inspectors General on Integrity and Efficiency (CIGIE) *Guide for Conducting Peer Reviews of Audit Organizations of Federal Offices of Inspector General* related to AbilityOne OIG's monitoring of generally accepted government auditing standards (GAGAS) engagements performed by Independent Public Accountants (IPAs) under contract where the IPA served as the auditor.

It should be noted that monitoring of GAGAS engagements performed by IPAs is not an audit; therefore, it is not subject to the requirements of *Government Auditing Standards*. The purpose of our limited procedures was to determine whether AbilityOne OIG had controls in place to ensure that IPAs performed contracted work in accordance with professional standards. We conclude that AbilityOne OIG has such controls in place. Our objective was not to express an opinion; accordingly, we do not express an opinion on AbilityOne OIG's monitoring of work performed by IPAs.

Letter of Comment

We have issued a letter dated June 25, 2025, that sets forth findings that were not considered to be of sufficient significance to affect our conclusions on AbilityOne OIG's established policies and procedures and monitoring of GAGAS engagements performed by IPAs.

Basis of Results

Our review was conducted in accordance with the CIGIE *Guide for Conducting Peer Reviews of Audit Organizations of Federal Offices of Inspector General* for assessing established audit policies and procedures.

During our review, we (1) obtained an understanding of the nature of the AbilityOne OIG audit function; (2) assessed established audit policies and procedures; and (3) assessed AbilityOne OIG's IPA monitoring process by reviewing monitoring files associated with the following contracted GAGAS engagements:

- 2021-04 Audit of Quality of Products
- 2022-06 Audit of Data Reliability, Availability, and Accessibility
- 2022-04 Audit of 3rd Party Service Provider Agreements
- 2023-02 FY 2023 Financial Statement Audit

We met with AbilityOne OIG audit management to discuss the results of our review. Enclosure 1 to this report documents AbilityOne OIG's management comments.

Regards,



Laura Davis
Inspector General

Enclosure



**U.S. AbilityOne Commission
Office of Inspector General**

355 E Street SW (OIG Suite 335)
Washington, DC 20024-3243

June 16, 2025

Laura Davis
Inspector General
National Endowment for the Humanities
Office of the Inspector General
400 7th Street, SW
Washington, DC 20506

Dear Ms. Davis:

Thank you for the opportunity to review and comment on the June 9, 2025, formal draft of the Report on the Modified Peer Review of the U.S. AbilityOne Office of Inspector General (OIG) audit organization conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency *Guide for Conducting Peer Reviews of Audit Organizations of Federal Offices of Inspector General*. We are pleased that you found our system of quality control to be compliant and suitably designed to provide the AbilityOne OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards. We are further pleased to have received an External Peer Review rating of Pass. We have no additional comments to provide.

Your professionalism and technical knowledge contributed greatly to the successfulness of the peer review. If you have any questions, please contact me or Laurretta Joseph, Assistant Inspector General for Evaluation and Acting Assistant Inspector General for Audit at ljoseph@oig.abilityone.gov.

Sincerely,

A handwritten signature in black ink that reads "Carla Smith". The signature is written in a cursive, flowing style.

Carla Smith
Acting Inspector General