



**OFFICE OF INSPECTOR GENERAL**  
Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

April 22, 2022

MEMORANDUM FOR: The Honorable Michael Horowitz  
Inspector General  
Department of Justice

FROM: Joseph V. Cuffari, Ph.D. **JOSEPH V  
CUFFARI** Digitally signed by  
JOSEPH V CUFFARI  
Date: 2022.04.22 13:03:11  
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SUBJECT: System Report on the Department of Justice's Office of  
Inspector General Audit Organization

Mr. Horowitz,

Attached is the System Review Report of the Department of Justice's Office of Inspector General conducted in accordance with *Government Auditing Standards* and 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 an enclosure.

We appreciate the cooperation and courtesies extended to our staff during the review.

Enclosure



# OFFICE OF INSPECTOR GENERAL

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### System Review Report

April 22, 2022

The Honorable Michael E. Horowitz  
Inspector General  
U.S. Department of Justice  
Office of Inspector General  
950 Pennsylvania Avenue, N.W.  
Washington, D.C. 20530

We have reviewed the system of quality control for the audit organization of the Department of Justice Office of Inspector General (OIG) in effect for the year ended September 30, 2021. A system of quality control encompasses the Department of Justice OIG's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of conforming, in all material respects, with *Government Auditing Standards* and applicable legal and regulatory requirements. The elements of quality control are described in *Government Auditing Standards*.

In our opinion, the system of quality control for the audit organization of the Department of Justice OIG in effect for the year ended September 30, 2021, has been suitably designed and complied with to provide the Department of Justice OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards and applicable legal and regulatory requirements in all material respects.

Audit organizations can receive a rating of *pass*, *pass with deficiencies*, or *fail*. The Department of Justice OIG has received an External Peer Review rating of *pass*.

### **Monitoring of GAGAS Engagements Performed by Independent Public Accountants**

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 Council of the Inspectors General on Integrity and Efficiency (CIGIE) related to the Department of Justice OIG's monitoring of engagements conducted in accordance with generally accepted government auditing standards (GAGAS engagements) 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



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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 the Department of Justice OIG had controls to ensure IPAs performed contracted work in accordance with professional standards. However, our objective was not to express an opinion. Accordingly, we do not express an opinion on the Department of Justice OIG's monitoring of work performed by IPAs.

#### **Letter of Comment**

We have issued a letter dated March 31, 2022, that sets forth findings that were not considered to be of sufficient significance to affect our opinion expressed in this report.

We also made certain comments related to the Department of Justice OIG's monitoring of GAGAS engagements performed by IPAs, which we included in the above referenced letter dated March 31, 2022.

#### **Basis of Opinion**

Our review was conducted in accordance with *Government Auditing Standards* and the CIGIE *Guide for Conducting Peer Reviews of Audit Organizations of Federal Offices of Inspector General*, dated March 2020.

During our review, we interviewed Department of Justice OIG personnel and obtained an understanding of the nature of the Department of Justice OIG audit organization, and the design of the Department of Justice OIG's system of quality control sufficient to assess the risks implicit in its audit function. Based on our assessments, we selected GAGAS engagements and administrative files to test for conformity with professional standards and compliance with Department of Justice OIG's system of quality control. The GAGAS engagements selected represented a reasonable cross-section of the Department of Justice OIG audit organization, with an emphasis on higher-risk engagements.

In performing our review, we obtained an understanding of the system of quality control for the Department of Justice OIG audit organization. In addition, we tested compliance with the Department of Justice OIG's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the Department of Justice OIG's policies and procedures on selected GAGAS engagements. 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.



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Prior to concluding the peer review, we reassessed the adequacy of the scope of the peer review procedures and met with the Department of Justice OIG management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion. Enclosure 1 to this report identifies the Department of Justice OIG engagements we reviewed.

**Responsibilities and Limitation**

The Department of Justice OIG is responsible for establishing and maintaining a system of quality control designed to provide the Department of Justice OIG with reasonable assurance that the organization and its personnel comply in all material respects with professional standards and applicable legal and regulatory requirements. Our responsibility is to express an opinion on the design of the system of quality control and the Department of Justice OIG's compliance based on our review.

There are inherent limitations in the effectiveness of any system of quality control; therefore, noncompliance with the system of quality control may occur and may 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.

Please call me with any questions, or your staff may contact Bob Ferrara, Chief, Quality Management and Training, at 856-229-5109.

Sincerely,

**JOSEPH V**  
**CUFFARI**

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JOSEPH V CUFFARI  
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Joseph V. Cuffari, Ph.D.

Enclosure



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Enclosure

Scope and Methodology

We tested compliance with the Department of Justice OIG audit organization’s system of quality control to the extent we considered appropriate. These tests included a review of 8 of 69 engagements performed by the Department of Justice OIG and conducted in accordance with generally accepted government auditing standards (GAGAS engagement) issued from October 1, 2020, through September 30, 2021. We also reviewed the Audit Standards Quality Assurance Reviews performed by the Department of Justice OIG.

Included in our sample, we reviewed the Department of Justice OIG’s monitoring of 2 GAGAS engagements performed by IPAs where the IPA served as the auditor from October 1, 2020, through September 30, 2021.

We invited all Audit Division staff within the Department of Justice OIG to complete a survey designed to determine the extent to which quality control policies and procedures were effectively communicated to staff and obtain their views about several factors related to the agency’s adherence to those policies and procedures. We also reviewed the training records of selected employees to determine whether they had obtained the required continuing professional education credits.

**Table 1. Reviewed GAGAS Engagements Performed by the Department of Justice OIG**

<b>Engagement No. – Title</b>	<b>Report Number</b>	<b>Report Date</b>
Review of the Accounting of Drug Control Funds and Related Performance Fiscal Year 2020 (Attestation)	21-033	February 2021
ATF'S Use and Administration of Reward Notices (Terminated)	n/a	n/a
Audit of the Office on Violence Against Women Technical Assistance Awards to the National Center for State Courts, Williamsburg, Virginia	21-074	May 2021
Audit of the Bureau of Justice Assistance 2020 Republican Presidential Candidate Nominating Convention Grant Awarded to Charlotte, North Carolina	21-115	September 2021



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Audit of the Office on Violence Against Women Tribal Domestic Violence and Sexual Assault Coalitions Program Grants Awarded to the Montana Native Women's Coalition, Billings, Montana	21-094	July 2021
Audit of the Office of Justice Programs Office of Juvenile Justice and Delinquency Prevention Grants Awarded to Youth Collaboratory, Pittsburgh, Pennsylvania	21-105	August 2021
Audit of the Chicago Police Department's Equitable Sharing Program Activities, Chicago, Illinois	21-076	May 2021
Audit of the South San Francisco Police Department's Equitable Sharing Program Activities, South San Francisco, California	21-037	February 2021

Source: Summary created by DHS OIG

**Table 2. Reviewed Monitoring Files of the Department of Justice OIG for Contracted GAGAS Engagements**

Engagement No. – Title	Report Number	Report Date
Audit of the Civil Rights Division's Information Security Program Pursuant to the Federal Information Security Modernization Act of 2014, Fiscal Year 2020 (IPA) <sup>1</sup>	21-054	March 2021
Audit of the Assets Forfeiture Fund and Seized Asset Deposit Fund Annual Financial Statements Fiscal Year 2020 (IPA)	21-015	January 2021

Source: Summary created by DHS OIG

<sup>1</sup> To ensure all deliverables within the scope of work met the required OIG and OMB/DHS deadlines, DOJ OIG performed *Audit of the Civil Rights Division's Information Security Program Pursuant to the Federal Information Security Modernization Act of 2014, Fiscal Year 2020* in conjunction with *Audit of the Civil Rights Division's CRT Justice Consolidated Office Network System Pursuant to the Federal Information Security Modernization Act of 2014, Fiscal Year 2020*. The resulting audit report, 21-055, was issued in March 2021.



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April 6, 2022

The Honorable Joseph V. Cuffari  
Inspector General  
U. S. Department of Homeland Security

Dear Inspector General Cuffari,

Thank you for providing the official draft of the System Review Report and Letter of Comment, dated March 31, 2022, of the Department of Justice, Office of the Inspector General's Audit organization. I am pleased with the rating of "pass" and the determination that our system of quality control, in all material aspects, is suitably designed and complies with all applicable professional standards to provide assurance of performing and reporting audits. I do not have any comments on the draft System Review Report and my Assistant Inspector General for Audit's response to the draft Letter of Comment is enclosed.

The peer review process is critical to the OIG community's efforts to maintain the trust and confidence of the American public it serves. I understand that even during normal circumstances it can be a challenging process, and I wish to thank and commend your staff for their work on this review. Their thorough work, helpful feedback, and timely completion of the review are a testament to their professionalism and dedication to the OIG mission.

Sincerely,

Michael E. Horowitz  
*Inspector General*

Enclosure