

System Review Report

September 6, 2024

Sarah Dreyer
Acting Inspector General
United States Election Assistance Commission
Office of Inspector General

We have reviewed the system of quality control for the audit organization of the United States Election Assistance Commission (EAC) Office of Inspector General (OIG) in effect for the year ended March 31, 2024. A system of quality control encompasses EAC 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 EAC OIG in effect for the year ended March 31, 2024, has been suitably designed and complied with to provide EAC 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*. EAC 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 EAC 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 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 EAC 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 EAC OIG's monitoring of work performed by IPAs.

Letter of Comment

We have issued a letter of comment, dated September 6, 2024, that sets forth findings that were not considered to be of sufficient significance to affect our opinion expressed in this report.

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*.

During our review, we interviewed EAC OIG personnel and obtained an understanding of the nature of the EAC OIG audit organization, and the design of EAC OIG's system of quality control sufficient to assess the risks implicit in its audit function. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with EAC OIG's system of quality control. The engagements selected represented a reasonable cross-section of EAC OIG's 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 EAC OIG audit organization. In addition, we tested compliance with EAC OIG's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of EAC OIG's policies and procedures on selected 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.

Prior to concluding the peer review, we reassessed the adequacy of the scope of the peer review procedures and met with EAC 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 EAC OIG office that we visited and the engagements we reviewed.

Responsibilities and Limitation

EAC OIG is responsible for establishing and maintaining a system of quality control designed to provide EAC 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 EAC 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.

We appreciate the professionalism of the EAC OIG staff and the courtesies given to the peer review team.

Respectfully,



Wendy R. Laguarda
Inspector General

Enclosures

Scope and Methodology

We tested compliance with the EAC OIG audit organization's system of quality control to the extent we considered appropriate. These tests included a review of 2 audits conducted in accordance with *Government Auditing Standards*, issued during the 1-year period that ended on March 31, 2024. We also reviewed the internal quality control reviews performed by EAC OIG.

In addition, we reviewed EAC OIG's monitoring of GAGAS engagements performed by IPAs where the IPA served as the auditor during the 1-year period that ended on March 31, 2024. During the period, EAC OIG contracted for the audit of its agency's fiscal year 2023 financial statements. EAC OIG also contracted for other GAGAS engagements that were performed in accordance with *Government Auditing Standards*.

The peer review included a site visit to EAC OIG offices located in Washington, D.C.

We reviewed the following audits conducted by EAC OIG:

Report No.	Report Date	Report Title
G22NC0004-24-06	February 22, 2024	Audit of the Help America Vote Act Grants Awarded to the State of North Carolina
P23HQ0025-24-05	January 26, 2024	Audit of the U.S. Election Assistance Commission's Internal Procurements

We reviewed monitoring files of EAC OIG for the following contracted GAGAS engagements:

Report No.	Report Date	Report Title
G22AS0021-24-04	November 29, 2023	Audit of the Help America Vote Act Grants Awarded to the Territory of American Samoa
F23HQ0044-24-02	November 13, 2023	Audit of the U.S. Election Assistance Commission's Financial Statements for Fiscal Year 2023

EAC OIG Response to Draft Report



**U.S. ELECTION ASSISTANCE COMMISSION
OFFICE OF INSPECTOR GENERAL**

September 5, 2024

Wendy R. Laguarda, Inspector General
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102

Dear Inspector General Laguarda:

Thank you for the opportunity to comment on the draft report on the system of quality control for the audit organization of the U.S. Election Assistance Commission Office of Inspector General (OIG) in effect for the year ended March 31, 2024. We are pleased that your independent review of our audit operations resulted in a rating of pass and concluded that our system of quality control has been suitably designed and complied with to provide EAC OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards and applicable legal and regulatory requirements in all material respects.

I wish to express my appreciation to you and your staff for the professionalism exhibited during the performance of this peer review.

Sincerely,

Sarah Dreyer
Acting Inspector General