



December 15, 2022

TO: Kimberly Byrd, Inspector General
Library of Congress
101 Independence Ave SE
Washington, DC 20540

FROM: Christopher W. Dentel, Inspector General

SUBJECT: System Peer Review Report on the Library of Congress' Office of Inspector General Audit Organization

Attached is the System Peer Review Report of the Library of Congress' 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 is included as an enclosure.

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

Christopher W. Dentel
Inspector General
Enclosure



System Review Report

December 15, 2022

Kimberly Byrd, Inspector General
Library of Congress

We have reviewed the system of quality control for the audit organization of the Library of Congress (LOC) Office of Inspector General (OIG) in effect for the year ended March 31, 2022. A system of quality control encompasses LOC 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 LOC OIG in effect for the year ended March 31, 2022, has been suitably designed and complied with to provide LOC 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*. LOC 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 LOC 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 LOC 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 LOC OIG's monitoring of work performed by IPAs.

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 LOC OIG personnel and obtained an understanding of the nature of the LOC OIG audit organization, and the design of LOC 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 LOC OIG's system of quality control. The GAGAS engagements selected represented a reasonable cross-section of LOC OIG's audit organization's audit work product, with an emphasis on higher-risk engagements.

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

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

Responsibilities and Limitation

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

Christopher W. Dentel, Inspector General
Enclosures

Enclosure 1

Scope and Methodology

We tested compliance with LOC OIG audit organization's system of quality control to the extent we considered appropriate. These tests included a review of 2 of 21 engagement reports, 19 of which were performed by contractors, conducted in accordance with generally accepted government auditing standards (GAGAS engagement) issued from April 1, 2019, through March 31, 2022. We also reviewed the internal quality control reviews performed by LOC OIG.

In addition, we reviewed LOC OIG's monitoring of GAGAS engagements performed by IPAs where the IPA served as the auditor from April 1, 2019, through March 31, 2022. During the period, LOC OIG contracted for the audit of its agency's fiscal year 2020 financial statements. LOC OIG also contracted for other GAGAS engagements that were performed in accordance with *Government Auditing Standards*.

We visited the LOC OIG office located in Washington, DC.

Reviewed GAGAS Engagements Performed by LOC:

Report No.	Report Date	Report Title
2018-PA-101	November 8, 2019	Audit of Overseas Field Offices – Rio de Janeiro, Brazil (Not for Public Release)

Reviewed Monitoring Files of LOC for Contracted GAGAS Engagements:

Report No.	Report Date	Report Title
2020-FN-101	June 21, 2021	Results of the Library of Congress' FY 2020 Financial Statements Audit

Enclosure 2



December 5, 2022

Mr. Christopher W. Dentel
Inspector General
U.S. Consumer Product Safety Commission
4330 East-West Hwy. Room 702
Bethesda, MD 20814

Dear Inspector General Dentel:

Thank you for the opportunity to comment on the draft System Review Report on the Library of Congress Office of the Inspector General's Audits Division. We appreciate your independent review and are pleased with your determination that our system of quality control for audits meets applicable requirements.

I would like to extend my personal appreciation to your staff for their excellent work and professionalism in conducting this peer review.

Sincerely,

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

Kimberly A. Byrd
Inspector General