

THE INSPECTOR GENERAL



UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, DC 20436

Peer Review - System Review Report

March 11, 2024

IG-WW-003

Dear Inspector General Berry,

We have reviewed the system of quality control for the audit organization of the National Labor Relations Board Office of Inspector General (NLRB OIG) in effect for the year ended September 30, 2023. A system of quality control encompasses NLRB 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 NLRB OIG in effect for the year ended September 30, 2023, has been suitably designed and complied with to provide NLRB 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*. NLRB OIG has received an External Peer Review rating of *pass*.

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 NLRB 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 NLRB 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 NLRB 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 conducted walk-throughs with NLRB OIG personnel and obtained an understanding of the nature of the NLRB OIG audit organization and the design of NLRB 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 NLRB OIG's system of quality control. The GAGAS engagement we selected for a detailed walk-through provided a reasonable representation of the NLRB OIG audit organization's work.

In performing our review, we obtained an understanding of the system of quality control for the NLRB OIG audit organization. In addition, we tested compliance with NLRB OIG's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of NLRB 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 NLRB OIG management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

Responsibilities and Limitation

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

Sincerely,

A handwritten signature in blue ink that reads "Rashmi Bartlett". The signature is written in a cursive style and is centered on the page.

Rashmi Bartlett
Inspector General
U.S. International Trade Commission

Enclosure 1– Scope and Methodology

Enclosure 1

Scope and Methodology

We tested compliance with NLRB OIG audit organization's system of quality control to the extent we considered appropriate. These tests included a review of one of the five engagement reports conducted in accordance with generally accepted government auditing standards (GAGAS engagement) issued from October 1, 2020 through September 30, 2023. We also reviewed the internal quality control reviews performed by NLRB OIG.

In addition, we reviewed NLRB OIG's monitoring of GAGAS engagements performed by IPAs where the IPA served as the auditor from October 2020 through September 30, 2023. During the period, NLRB OIG contracted for the audit of its agency's annual financial statements and the Federal Information Security Modernization Act.

We conducted walk-throughs to review the NLRB OIG's work on the following:

- GAGAS Engagements Performed by NLRB OIG:
 - [OIG-AMR-98-22-06, Division of Judges Audit \(September 29, 2022\)](#)

- Monitoring Files of NLRB OIG for Contracted GAGAS Engagements
 - [OIG-F-27-23-01, Audit of the NLRB Fiscal Year 2022 Financial Statements \(November 14, 2022\)](#)



United States Government
NATIONAL LABOR RELATIONS BOARD
OFFICE OF INSPECTOR GENERAL
Washington, DC 20570-0001

March 13, 2024

Rashmi Bartlett
Inspector General
United States International Trade Commission
500 E Street, SW
Washington, DC 20436

Dear Inspector General Bartlett:

We appreciate the opportunity to review and comment on the draft *System Review Report* on the audit organization of the National Labor Relations Board Office of Inspector General, IG-WW-003, dated March 11, 2024. We are pleased that your peer review team found that the system for quality control for our audit organization in effect for the year ended September 30, 2023, has been suitably designed to provide reasonable assurance of conforming in all material respects with *Government Auditing Standards* and applicable legal and regulatory requirements. We are likewise pleased that your office assigned a peer review rating of *Pass* to our system of quality control. We have no additional comments on the draft report.

We appreciate the time and effort that you and your peer review team expended to conduct the external peer review. We also appreciated the feedback provided during the review process and the courtesies and professionalism of your team in conducting this important review process. It was a pleasure to work with your team.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Berry".

David Berry
Inspector General