



Office of Inspector General

FOR IMMEDIATE RELEASE

STATEMENT

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Statement on *Washington Post* reporting on the handling of audit findings and recommendations

WASHINGTON, DC — Audit reporting is a central function of offices of inspector general in the federal government and the Office of Inspector General (OIG) for the U.S. Agency for International Development (USAID) takes very seriously its responsibility to issue reports that reflect independence and integrity.

The Washington Post recently reported on allegations that USAID OIG inappropriately removed findings from past audit reports and, in some cases, placed the findings in confidential documents to conceal them from public view. As the article acknowledges, however, the allegation that OIG inappropriately removed findings from reports was previously investigated by another OIG and its investigation did not substantiate those claims. Despite this, the article continues to rely on unsupported claims that OIG removed findings from reports to avoid controversy as the foundation for its coverage.

As the article notes, “It is not unusual for audits to change between the draft and final reports”, and the simple fact that a report has changed is not evidence of any wrongdoing. Before they are published, OIG audits undergo an extensive internal quality control and review process. These reviews help ensure that OIG findings are properly supported by evidence, legally sufficient, represent facts in a clear manner, and are in compliance with audit standards and guidance. This review process sometimes results in the modification or removal of draft findings, whether they are positive or negative. These changes help ensure that our reports are the best that they can be, and simply reflect the applied professional judgment of our audit, legal, and editorial staff.

The audits cited in *The Washington Post* article were all issued more than 2 years ago, in 2012, at a time when OIG employed a different draft report review process. At the time, OIG audit units submitted draft reports to agency officials for comment at the same point that they provided them to OIG personnel associated with our internal quality control and review process. Because OIG’s internal review process for these audits occurred after drafts had been issued to agency managers for comment, policy and legal questions about audit findings, for example, were sometimes raised late in the process, resulting in more extensive changes to draft reports than would have otherwise been the case. In 2013, OIG revised its draft report review process to ensure that the internal vetting and review of draft audits was completed before they were provided to agency managers for comment. By submitting each draft report to a thorough internal review before requesting agency comments, OIG helps ensure that draft reports

represent the best of our knowledge and analysis.

OIG sometimes uses management letters to convey information to management officials. For example, management letters may be used to alert agency officials of matters outside of the context of an audit report. Management letters may also be used to alert agency officials of matters that are especially urgent or time sensitive, are outside the scope of an audit, or are deemed to be of lesser significance than would warrant inclusion in a report based on the professional judgment of our auditors. OIG's current policy and practice is to post all management letters on its public Web site. This policy has been applied to management letters issued from April 2014 forward.

OIG has an extensive track record of providing independent, robust oversight. In recent years, OIG auditors have issued hundreds of hard-hitting performance audit reports with findings and recommendations that have prompted changes in agency programs and operations around the world. OIG routinely highlights concerns with and recommends corrective actions relating to agency management, information technology, and financial systems and processes. OIG audits have also resulted in the return of millions of dollars to the federal government through questioned costs and funds put to better use. In recent years, OIG investigations have resulted in administrative, civil, and criminal actions against USAID employees and implementer staff, including high-ranking officials found to have abused their positions and the public trust. Our work also has yielded investigative savings and recoveries and resulted in agency determinations to suspend or debar implementers from government awards. We report these results semiannually to Congress, and make these reports available on our public Web site.

OIG is firmly committed to providing independent oversight that promotes the efficiency, effectiveness, and integrity of foreign assistance programs and operations. We have confidence in the integrity of our work, and in the OIG staff and managers responsible for undertaking it. We will continue to work with the Inspector General community, Members of Congress, and others to ensure that we address any concerns regarding our office and our work in this area.

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