



Office of Inspector General



An Audit Perspective

A vertical strip of the American flag is visible on the left side of the slide, showing the stars and stripes.

Unofficial Motto

- “In God we trust...all others we audit.”

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Agenda

- **Audit Types**
- **How to Prepare for an Audit**
- **Audit Deliverables**
- **Types of Findings**

- **FY 2010 Audit Results**
 - **Audits Completed**
 - **Questioned Costs**
 - **Funds Put to Better Use**

- **Office of Audit Organizational Structure**



Types of Audits

- Mandatory audits
 - Department's financial statements-- required by the Chief Financial Officers Act
 - Job Corps
 - FECA Special Benefit Fund
- Discretionary Audit
 - Financial and performance audits
 - American Recovery and Reinvestment Act
 - Complaints
 - Congressional Requests

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How To Prepare For an Audit (Dos & Don'ts)

- Do
 - Take a deep breath
 - Inform appropriate staff
 - Compile information requested in the notification letter
 - Notify auditors of any limitations to providing the requested information or data
- Don't
 - Shred key documents
 - Cook the Books
 - Put auditors in a hot room in the Summer without air conditioning

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Types of Deliverable

- Statement of Facts
 - Part of fieldwork
 - Confirms the auditor's understanding of specific conditions
 - Confirm criteria
 - May have positive or negative comments
 - May require a written response
- Discussion Draft Report
 - Provides an opportunity to discuss potential findings before Draft Report is issued
 - Does not require a written response



Types of Deliverable (cont)

- Draft Report
 - Official document restricted to need-to-know personnel
 - Requires a written response
- Final Report
- Incorporates written responses from the audited organization
- Available to the public
- Posted on Internet

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Types of Findings

- Ineligible participants
- No approved Costs Allocation Plan or Indirect Cost Rate
- Missing support for
 - expenditures
 - eligibility determination
 - program outcomes
- Missing or inadequate policies and procedures
- Unsupported or unreported matching funds requirements

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FY 2010 Audit Results

OIG Completed Audits: 67

Questioned Costs: \$112.3 Million

Funds Put to Better Use: \$1.4 Billion



Office of Audit Organizational Structure

Shifted from a regional office concept to a programmed focus

- ES/UI/WH/YB M. Yarbrough (Atlanta)
- OSHA/WIA/NEG M. Schwartz (NY)
- EBSA/OLMS R. McClane (SF)
- BLS/OASAM/FLC/ILAB T. Katz (DC)
- WIA/OWCP M. Hill (Phila)
- IT K. Galayda (DC)
- OCFO B. Coyle (DC)
- AARA F. Howell (Chicago)
- Job Corps R. Armada (SF)
- MSHA C. Allberry (Chicago)



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