



**G A O**

Accountability \* Integrity \* Reliability

---

United States Government Accountability Office  
Washington, DC 20548

## **International Peer Review Team Gives GAO's Quality Assurance System a Clean Opinion**

WASHINGTON (April 20, 2005) – An international peer review team announced today that it has given the U.S. Government Accountability Office's quality assurance system a clean opinion – only the second time a national audit institution has been given such a rating by a multi-national team.

“On behalf of all the professionals at GAO, I am very pleased that this international peer review team concluded that Congress and the American people can have confidence that GAO's work is independent, objective and reliable,” said David M. Walker, Comptroller General of the United States and head of the GAO. “I thank the international team for its competence, professionalism and constructive approach to this important engagement.”

The year-long peer review, under the auspices of the Global Working Group of national audit institutions, included an examination of all aspects of GAO's quality assurance framework—from engagement acceptance to issuance of the final product. The team made several visits to GAO to interview staff and to review documentation for a statistical sample of GAO audit products.

GAO's peer review was led by the Office of the Auditor General of Canada, with team members drawn from counterpart national audit institutions in Australia, Mexico, The Netherlands, Norway, South Africa and Sweden. In 2004, Canada's Office of Auditor General was the first national audit institution to undergo a peer review by a multi-national team, which involved a similar international team led by the National Audit Office of the United Kingdom.

The team interviewed GAO staff ranging from Comptroller General Walker to recently hired professionals to gauge their knowledge and application of GAO's quality assurance procedures. They also attended senior executive meetings and met with experts and specialists to understand their role in GAO's quality framework. Selected team members also observed GAO's agency-wide annual internal inspection program—which is designed to provide the Comptroller General with an assessment of compliance with government auditing standards and GAO policies.

GAO's role is to provide Congress and the American taxpayer with independent, objective, non-partisan and reliable information and analyses to help evaluate the performance of government agencies and hold them to account. To achieve that objective, the GAO has established a management and quality assurance/risk-based framework to help assure that performance audits are carried out in accordance with government auditing standards, GAO policies and applicable legislative authorities.

The peer review team found that although GAO does the vast majority of its work at the request of congressional committees, GAO has sufficient mechanisms in place to assure that its work is independent and objective. The team's report states: "The peer review team concluded that GAO's quality assurance system was suitably designed and operating effectively to provide GAO with reasonable assurance of conforming with *Government Auditing Standards* in conducting its performance audits."

The team also found several global better practices at GAO that go beyond what is required by government auditing standards, including its strategic planning process which assures that GAO focuses on the most significant issues facing the country, serious management challenges, and programs most at risk.

"GAO's strategic planning process and pro-active working relationship with the Congress help to ensure that GAO maintains its focus on the full breadth of significant audit-worthy issues," the team found.

Other noteworthy practices identified by the team were:

- GAO's audit risk assessment process, which determines the level of product review and executive involvement throughout the audit engagement.
- GAO's agency protocols, which provide clearly defined and transparent policies and practices on how GAO will interact with audited agencies.
- GAO's use of experts and specialists to provide multidisciplinary audit teams with advice and assistance on methodological and technical issues—vastly expanding GAO's capacity to apply innovative approaches to the analysis of complex situations.
- GAO's electronic audit assistance tool, which guides GAO staff through the engagement management process and helps them apply applicable professional standards, GAO policies and guidance.
- GAO's reporting format, which makes its products useful and accessible to readers with different interests.

“I am proud that the team identified a number of ‘better practices’ associated with GAO’s policies and priorities that should be shared with other national audit institutions worldwide,” Walker said.

Recognizing that GAO’s work meets all applicable professional standards, the team — based on its collective experience and knowledge — made suggestions to GAO to further enhance its products, including additional disclosure of sources of critical information and the impact of scope and methodological choices. The team also suggested that GAO reexamine its “total” set of requirements to identify potential opportunities for efficiency through greater use of risk-based principles in its quality framework.

Walker said GAO is forming an internal team to review the recommendations.

The peer review report is available on the GAO web site, [www.gao.gov](http://www.gao.gov)

###