June 27, 2018

Christopher Failla
Inspector General
Architect of the Capitol
Office of Inspector General
499 S. Capitol Street, SW Suite 518
Washington, DC 20515

Dear Mr. Failla,

The CIGIE external peer review team, comprised of the Office of the Special Inspector General for Afghanistan Reconstruction (SIGAR) and the Pension Benefit Guaranty Corporation/Office of Inspector General (PBGC/OIG), conducted a modified external peer review of the Architect of the Capitol, Office of Inspector General (AOC/OIG). A modified external peer review was conducted because AOC/OIG did not issue any inspection and evaluation (I&E) reports during the 3-year applicable period. The peer review was conducted from March 5, 2018 through June 27, 2018.

The team conducted the peer review in accordance with the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Inspection and Evaluation Committee guidance as contained in the CIGIE *Guide for Conducting Peer Reviews of Inspection and Evaluation Organizations of Federal Offices of Inspector General*. Specifically, the team reviewed internal policies and procedures contained in AOC/OIG's *Inspection and Evaluation Handbook, Version 1.0*, March 2018; and assessed the extent to which the *Handbook* addressed seven required Blue Book standards: (1) quality control, (2) planning, (3) data collections and analysis, (4) evidence, (5) records maintenance, (6) reporting, and (7) follow-up.

The team found that AOC/OIG's internal policies and procedures, as presented in the *Handbook*, generally met five of the seven required standards. The *Handbook* did not include internal policies and procedures for two of the required standards—records maintenance and follow-up. Policies and procedures for these two standards were being drafted during the time of our review.

We issued a letter on June 5, 2018, (enclosure 1) that set forth specific findings, recommendations, observations, and suggestions identified during the modified peer review. On June 19, 2018, AOC/OIG management officials provided a response to our letter (enclosure 2) in which they agreed with our two recommendations and provided additional information concerning policies for records maintenance. Based on the response from the AOC/OIG, one recommendation is now closed and one remains open.

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Sincerely yours,

John F. Sopko
Special Inspector General

Enclosures (2)

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ENCLOSURE 1: Letter of Comments/Results and Findings

METHODOLOGY

CIGIE approved the AOC/OIG's request for a modified external peer review because the AOC/OIG had not issued any I&E reports as of December 31, 2017. A modified peer review is an assessment of the OIG's policies and procedures for seven required Blue Book standards.[1] This review is intended to help ensure that the organization's established internal I&E policies and procedures are current and consistent with Blue Book standards, and if implemented as expected, would result in compliance with these seven standards. The review team held an entrance conference with AOC/OIG on March 5, 2018 and discussed its preliminary findings with the OIG on May 24, 2018.

The review was limited to reviewing the internal policies and procedures as presented in AOC/OIG's *Inspection and Evaluation Handbook, Version 1.0*, drafted March 2018. The team also reviewed supporting documentation, including OIG's "Inspection and Evaluation Handbook Project Checklist," "I&E Quality Control Certification for Draft Report," *Fiscal Years 2018 through 2020 Audit and Evaluation Plan, AOC's Communications Standards & Guidelines*, and related documents and orders.

RESULTS AND FINDINGS

INTERNAL POLICIES AND PROCEDURES

Based on the review team's assessment, the AOC/OIG internal policies and procedures, if implemented, sufficiently address five of the seven required Blue Book standards. The review team found that AOC/OIG's policies and procedures did not adequately address two standards—records maintenance and follow-up—and makes two recommendations for these two components. The following sections summarize the team's assessment of the AOC/OIG's policies and procedures for ensuring compliance with the seven standards, including several observations and suggestions for clarifying OIG guidance.

QUALITY CONTROL

The Blue Book standard for inspection work is: "*Each OIG organization that conducts inspections should have appropriate internal quality controls for that work.*" Key elements of this standard include establishing mechanisms for quality control, documenting those mechanisms, and ensuring adequate supervision. The AOC/OIG met the standard by establishing appropriate policies and

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[1] CIGIE's *Quality Standards for Inspection and Evaluation*, January 2012, also known as the "Blue Book", contains 14 standards for OIG organizations to meet in conducting I&E and form the basis for the compliance statement in I&E reports. CIGIE conducted a pilot peer review and selected 7 of the 14 standards as the scope for I&E peer reviews. The other 7 seven standards include competency; independence; professional judgment; timeliness; fraud, other illegal acts, and abuse; performance measurement; and working relationships and communication.

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procedures for a system of quality control, which are set forth in sections 1.4 and 5.3 of the *Handbook* and in I&E checklists developed to facilitate compliance.

PLANNING

The Blue Book standard for inspection work is: *"Inspections are to be adequately planned."* Key elements of this standard include a work plan, coordination (both internal and external), and research. The AOC/OIG met the standard by including appropriate planning policies and procedures in sections 2.1 and 3.2 of the *Handbook*, including the development of the *Fiscal Years 2018 through 2020 Audit and Evaluation Plan*.

Although the policies and procedures are adequate, the review team had one observation and suggestion to help clarify guidance on considering topic relevance and potential outcomes in planning. The AOC/OIG's *Audit and Evaluation Plan* discusses the need to assess risk and identify projects with the greatest impact, but the *Handbook* sections 2.1 and 3.2 on planning do not specifically address outcomes. Therefore, the team suggests that the AOC/OIG include a discussion of planning for project outcomes and impact in section 2.1, "Oversight Planning and Coordination".

DATA COLLECTIONS AND ANALYSIS

The Blue Book standard for inspection work is: *"The collection of information and data will be focused on the organization, program, activity, or function being inspected, consistent with the inspection objectives, and will be sufficient to provide a reasonable basis for reaching conclusions."* This standard requires covered I&E organizations to describe the project's sources of data and information in the supporting documentation, ensure information is appropriately scoped, employ procedures to ensure data reliability and validity, and ensure that the confidentiality of sources and sensitive information is safeguarded. Key elements of the standard related to data analysis include ensuring that data is reviewed for accuracy and reliability, information is appropriately presented and documented, procedures are provided for supervisory review, and findings answer the objectives.

The AOC/OIG met the standard by including the relevant data collection and analysis policies and procedures in the Handbook, particularly in section 3.3 "Project Execution," section 3.4 "Preparing and Reviewing Audit Documentation," and section 4.1 "Draft Reports." Policies and procedures for safeguarding sensitive or classified information are also contained in section 6.3 and in AOC Order 42-4. However, the review team has two observations and suggestions to enhance the AOC/OIG's guidance for I&E data collection and analysis:

(1) Blue Book standards include the need for ensuring the confidentiality of individuals who provide information. AOC Order 42-4, "Security of Controlled Unclassified Information," provides detail on protecting sensitive information. The review team did not see confidentiality specifically addressed in the *Handbook* but notes that section 5.3 on retaining and disposing of documentation should

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address this when completed. The team suggests that the AOC/OIG ensure that confidentiality protection is addressed when finalizing *Handbook* section 5.3.

(2) A component of the data collection and analysis standard is ensuring that data is presented appropriately and logically, with documentation to support the interpretation of the data. The AOC/OIG's I&E project checklist item #9 under fieldwork includes a requirement for the logic and basis of findings to be described in adequate detail in the project files. The team suggests that the OIG include similar guidance in either section 3.3 ("Project Execution") or section 3.4 ("Preparing and Reviewing Project Documentation") of the *Handbook*.

EVIDENCE

The Blue Book standard for inspection work is: *"Evidence supporting inspection findings, conclusions, and recommendation should be sufficient, competent, and relevant and should lead a reasonable person to sustain the findings, conclusions, and recommendations."* Key elements of this standard include ensuring that evidence is sufficient to persuade a knowledgeable person of the validity of the related findings and recommendations, is collected and evaluated using reasonable methods, and has a logical relationship to the issue(s) being addressed.

The AOC/OIG met the standard through its evidence policies and procedures as set forth in sections 3.3 and 3.4 of the *Handbook* and the I&E project checklist.

RECORDS MAINTENANCE

The Blue Book standard for inspection work is: *"All relevant documentation generated, obtained, and used in supporting inspection findings, conclusions, and recommendations should be retained for an appropriate period of time."* Key elements of this standard include ensuring that supporting information is effectively organized, providing a record of the nature and scope of the inspection, providing sufficient information for supervisors to manage and evaluate staff, and ensuring that the organization has policies and procedures for document retention.

As of June 5, 2018, the AOC/OIG had not met this standard. It had not drafted *Handbook* section 5.3, "Retaining and Disposing of Project Documentation". The review team recommended that the AOC/OIG complete section 5.3, "Retaining and Disposing of Project Documentation" as soon as possible. In its June 19, 2018, response to our letter, the AOC/OIG agreed with this recommendation and provided section 5.3, "Finalizing, Retaining, and Disposing of Project Documentation". Based on our review of this section and related information in the *Handbook*, the AOC/OIG meets CIGIE standards for records maintenance policies and procedures, and the recommendation is closed.

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REPORTING

The Blue Book standard for inspection work is: *"Inspection reporting shall present factual data accurately, fairly, and objectively and present findings, conclusions, and recommendations in a persuasive manner."* Key elements of this standard include ensuring that reporting is timely, accurate, and objective; provides sufficient context; describes objectives, scope, and methods; uses clear and concise language; and includes a statement that the inspection was conducted in accordance with the standards. The standard also requires that findings are supported by evidence, conclusions are logical inferences, and recommendations describe what should be corrected.

The AOC/OIG met the standard through reporting policies and procedures set forth in *Handbook* section 4.1 and *AOC's Communications Standards & Guidelines.*

FOLLOW-UP

The Blue Book standard for inspection work is: *"Appropriate follow-up will be performed to ensure that any inspection recommendations made to Department/Agency officials are adequately considered and appropriately addressed."* Key elements of this standard include the I&E organization determining whether agency officials take action to correct problems, performing follow-up work as appropriate to verify management actions, and considering prior recommendations and the need for follow-up when planning and conducting new inspections.

The AOC/OIG does not meet the standard. It has not completed *Handbook* Section 5.1, "Report Followup." AOC/OIG planned to draft this section after its implementation of the TeamMate document management system. The review team recommended that the AOC/OIG complete section 5.1, "Report Followup" as soon as possible. In its June 19, 2018, response to our letter, the AOC/OIG noted that it is finalizing proposed changes to its recommendation follow-up process. Once the proposed changes are complete, they will be sent to the AOC for comment. In the meantime, section 5.1 in the *Handbook* remains "To Be Determined" and there will be no activities related to follow-up until the proposed changes are finalized. The recommendation remains open.

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ARCHITECT
of the **CAPITOL**

June 19, 2018

Mr. John F. Sopko
Special Inspector General for Afghanistan Reconstruction
1550 Crystal Drive, 9th Floor
Arlington, VA 22202

Dear Mr. Sopko:

We would like to thank the Office of the Special Inspector General for Afghanistan Reconstruction and the Pension Benefit Guaranty Corporation/Office of Inspector General, for conducting a modified inspections and evaluations external peer review of the Architect of the Capitol (AOC), Office of Inspector General (OIG).

The AOC OIG concurs with both recommendations on records maintenance and follow-up. Attached is the draft for section 5.3, "Retaining and Disposing of Project Documentation." Please note that the title has been changed to "Finalizing, Retaining, and Disposing of Project Documentation." For the recommendation concerning follow-up, we are finalizing proposed changes to our follow-up on the recommendations process. Once those proposed changes are complete, it will be sent to the AOC for comment. Therefore, the follow-up on recommendations section remains "To Be Determined" until the changes in the process has been fully coordinated with the AOC. There will be no activities pertaining to follow-up on recommendations from inspections and evaluations, until those proposed changes are finalized.

Should you have any questions please contact Alexie Hoyle at 202.593.1943 or alexie.hoyle@aoc.gov.

Sincerely,

Christopher P. Failla
Inspector General

Enclosure A

cc: Pension Benefit Guaranty Corporation/Office of Inspector General

5.3 FINALIZING, RETAINING, AND DISPOSING OF PROJECT DOCUMENTATION

	The records maintenance standard of the CIGIE "Quality Standards for Inspection and Evaluation" requires all relevant documentation generated, obtained, or used in supporting the findings, conclusions, and recommendations to be retained for an appropriate period of time. After the final report is issued, the project leader will maintain all project documentation, including management comments to the final report and documentation related to resolution of open recommendations. Project documentation shall be stored in Teammate or an equivalent system to ensure that appropriate supervisory review and controls are achieved. Project document that support statement of facts in the discussion draft, official draft, and final report shall have supervisory review. Additionally, project documentation that support compliance to the CIGIE "Quality Standards for Inspection and Evaluation" and this handbook must be stored in the project files.
FINALIZING THE PROJECT FILES	Once the project is completed, and the final report is signed and issued, documentation should not be changed or deleted from the project file. The project lead should document the resolution of recommendations. The project lead will maintain the official project files. **Final Comments Received from Management Officials** When final comments are received from management, the project leader must put the final comments, and any memorandums for the record transmitting those comments, into the project file. **Access to Finalized Projects** Read-only access to finalize I&E projects maintained electronically remains available only to the supervisor and project team assigned to the project. For hardcopy documentation, it is the responsibility of the project leader to ensure the documentation is protected and not altered after issuance of the final report. If other project teams need documentation from a finalized project, they must request access by contacting the supervisor on the project. The e-mail should specify the project number, report number, who will need access to the project, and why. **Supplemental Revisions to the Project File** The supplemental documentation should be clearly distinguished

	from the original content of the project file. Circumstances may require additions to the project file after the issuance of the final report. In all cases, the original file must be left intact. All supplemental documentation must include a concise explanation of the circumstance under which they were created. The official project files must not be altered, deleted, or discarded. **Terminated Projects** Supervisors and project leaders should use their professional judgment in determining the level of effort required to close out terminated projects. See Chapter 3.6, "Terminating or Suspending Projects," for further discussion of terminated projects.
RETAINING AND DISPOSING OF PROJECT DOCUMENTATION	OIG project documentation retention requirements are defined in Records Schedule 1: Records Common to Most Offices within the AOC and Records Schedule 17: Office of the Inspector General, for additional guidance on disposing of project documentation. Project teams are responsible for retaining and storing all project files. **Contractor or SME Project Documentation** If work was performed by a contractor or external SME, the project team must ensure availability and safeguard the documentation (hardcopies, electronic files on servers, etc.) that supports the report. For instance, the project team should require the contractor or SME to document their work in an OIG project file using OIG software such as TeamMate. In addition, the project team may require the contractor or SME to use OIG computers. Unless stipulated in the contract, the contractor will not keep files once the project is completed; therefore, it is the OIG project team's responsibility to maintain a copy of the files created and used by the contractor. The project team should also include the contractor or SME's completed SOIs, resumes, contract, and task statements in the project file.