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**January 18, 2002**

**Hon. Luise S. Jordan  
Inspector General  
Corporation for National Service  
1201 New York Avenue N.W.  
Washington, DC 20525**

**Dear Ms. Jordan:**

As requested by Delivery Order No. S-OPRAQ-99-D-0020-CNCS-13, we undertook a quality assurance inspection of audit operations of the Corporation for National and Community Service (CNCS), Office of Inspector General (OIG). The primary objective of the inspection was to determine whether the audit operation's quality control system provides reasonable assurance that the CNCS OIG has adopted and is following applicable auditing standards, and has established and is following adequate auditing policies and procedures, including those procedures encompassing (1) staff qualifications, (2) independence, (3) audit/review performance, and (4) internal review.

The inspection, which covered activity and reports issued during the year ended September 30, 2001, was conducted in accordance with *Government Auditing Standards* and the Policy Statement on Internal Quality Control and External Quality Control Reviews issued by the Audit Committee, President's Council on Integrity and Efficiency (April 1997).

The quality control elements examined during the inspection included:

- Independence/Code of Ethics/Confidentiality
- Assigning Personnel to Audits
- Consultation
- Supervision
- Hiring
- Professional Development
- Performance Evaluations and Advancement
- Contracting for and Monitoring Professional Audit Services.

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The Inspection included examination of the OIG's Audit Policies and Procedures, its Strategic plan, Audit Plan for 2001, workpaper files, delivery orders for services contracted to independent public accountants (IPAs), documentation related to OIG's monitoring of performance by IPAs, OIG staff interviews and examination of the OIG's library's contents.

In our opinion, the CNCS OIG audit operation has complied with *Government Auditing Standards* in monitoring the work of IPAs and in performing its own work for the year ended September 30, 2001. CNCS OIG's policies and procedures have been designed to provide the OIG with reasonable assurance or conformance with professional standards in monitoring the work of IPAs and in the conduct of its own work.

We noted one area improvement in which might enhance OIG's audit operations. The scope of work undertaken by the audit staff of the OIG is quite broad and, as such, requires availability of a wide range of reference material. While the OIG's library, taken together with reference material provided to all audit staff, appears to be reasonably comprehensive, the library seems to lack a structured organization and its inventory has not been updated sufficiently recently to be of maximum effectiveness for the OIG audit staff.

Sincerely,



Leslie A. Leiper