

	Department of Human Services Online Directives Information System	Index: Revised: Next Review:	POL1904 03/25/2020 03/25/2022
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SUBJECT: INTERNAL AUDIT AND AUDIT STANDARDS

POLICY:

- A. The policy of the Department of Human Services (DHS), Office of Inspector General, Internal Audit (OIG-IA), is to ensure that funds, property and other assets of DHS are safeguarded, resources are effectively and efficiently used, applicable regulations, laws, policies, procedures and generally accepted accounting principles and standards are followed, and adhered to accordingly.
- B. In fulfilling its mission and responsibilities, OIG-IA conducts various audits (i.e. compliance, financial, performances, etc.) and/or reviews of DHS Divisions/Offices. Also, OIG-IA may also review third party audits performed by independent contracted auditors of programs funded by the Department.

In addition, OIG-IA also conducts special requests audits, reviews and examinations. These special request audits may be performed when fraud, defalcations or other irregularities are suspected, or when problems needing attention are believed to exist.

- C. All divisions/programs being audited are expected to provide every possible assistance to assist with the progress of the audit. For the period(s) to be audited, all requested sample records and/or documents (federal programs, regulations, monitoring, etc.) should be made readily available to auditors upon their arrival and/or request.

Note: OIG-IA will assume custody and control of documents and records where there is evidence of fraud or defalcation, or where there is other reasonable needs to protect documents from loss, alteration or destruction. Audit staff will provide receipts when custody of records becomes necessary.

- D. Audits will be conducted in accordance with the following:
 - 1. Government Auditing Standards (Yellow Book) issued by the Comptroller General of the United States.
 - 2. Standards for Internal Control in the Federal Government (Green Book) issued by Government Accountability Office (GAO).
 - 3. Generally Accepted Auditing Standards adopted by the American Institute of Certified Public Accountants (AICPA).
 - 4. Other applicable policies, rules and regulations as necessary.

The Office of Inspector General Internal Audits Unit is responsible for issuing and updating procedures to implement this policy, when necessary.

A. Authority

2 CFR part 200.331

7 CFR part 277.17 Audit Requirements

45 CFR 75

B. References

Code of Federal Regulations [2 CFR 200](#)

Code of Federal Regulations [7 CFR 277.17](#)

Code of Federal Regulations [45 CFR 75](#)

Generally Accepted Auditing Standards (Yellow Book)

C. Applicability

This policy is applicable to all divisions and offices of DHS.

D. Definitions

Standards: (1) The "Generally Accepted Auditing Standards" adopted by the American Institute of Certified Public Accountants (AICPA); and (2) The "Standards for Audit of Governmental Organizations, Programs, Activities and Functions" issued by the Comptroller General of the United States.

E. Responsibilities

1. The Office of Inspector General Internal Audit (OIG-IA) Director is responsible for oversight of POL1904.

F. History

Replaces POL1904, last reviewed 04/05/19

G. Evaluation

The OIG-IA evaluates this policy yearly by:

1. Reviewing policy and update accordingly.