



Pension Benefit Guaranty Corporation  
Office of Inspector General  
1200 K Street, N.W., Washington, D.C. 20005-4026

November 29, 2007

Mr. Kenneth A. Konz  
Inspector General  
Corporation for Public Broadcasting  
401 Ninth Street  
Washington, DC 20004

Re: Report on the External Quality Control Review of the Corporation for Public  
Broadcasting's Inspector General Audit Organization

Dear Mr. Konz:

This report presents the results of our External Quality Control Review of the Corporation for Public Broadcasting's Inspector General Audit Organization. Our review resulted in an unmodified opinion, also known as a clean audit opinion. Your response to the draft report is included in the report as Exhibit I.

We thank you and your staff for the cooperation and professional courtesy extended to us.

Sincerely,

Deborah Stover-Springer  
*Acting Inspector General*

Attachment



Pension Benefit Guaranty Corporation  
Office of Inspector General  
1200 K Street, N.W., Washington, D.C. 20005-4026

November 29, 2007

Mr. Kenneth A. Konz  
Inspector General  
Corporation for Public Broadcasting  
401 Ninth Street  
Washington, DC 20004

Re: Peer Review of OIG Audit Function

Dear Mr. Konz:

We have reviewed the system of quality control for the audit function of the Corporation for Public Broadcasting (CPB) Office of Inspector General (OIG) in effect for the year ended March 31, 2007. A system of quality control encompasses the OIG's organizational structure, and the policies adopted and procedures established to provide it with reasonable assurance of conforming with generally accepted government auditing standards (GAGAS). The elements of quality control are described in GAGAS, promulgated by the Comptroller General of the United States. Though CPB is not a federal government entity, the OIG is required by the Inspector General Act of 1978, as amended, to follow GAGAS. The design of the quality control system, and compliance with it in all material respects, are the responsibility of the CPB OIG. Our objective was to determine whether the internal quality control system was adequate as designed and complied with to provide reasonable assurance that applicable auditing standards, policies, and procedures were met. Our responsibility is to express an opinion on the design of the system and the OIG's compliance with the system based on our review.

Our review was conducted in accordance with the guidelines established by the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency. In performing our review, we obtained an understanding of the system of quality control for the OIG. In addition, we tested compliance with the OIG's quality control policies and procedures to the extent we considered appropriate. These tests included the application of the OIG's policies and procedures on selected audits. Because our review was based on selective tests, it would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it. Nevertheless, we believe that the procedures we performed provide a reasonable basis for our opinion.

Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

#### **Scope and Methodology**

We tested compliance with the CPB OIG's system of quality control to the extent we considered appropriate. These tests included a review of four of four audit reports issued during the September 30, 2006 and March 31, 2007 semiannual reporting periods.

We visited the OIG's office in Washington, DC during our review.

### Audit Reports Reviewed

We reviewed the following audits in testing compliance with the OIG's quality control policies and procedures:

<u>Report Number</u>	<u>Report Date</u>	<u>Report Title</u>
CCE601-607	9/01/2006	Audit of CPB's Executive Leave Recordkeeping for Fiscal Years 2003-2005
ASJ606-608	9/29/2006	Audit of Grants Awarded to the University of Michigan Licensee of Public Broadcasting Stations WUOM-FM, Ann Arbor, Michigan, WFUM-TV, Flint, Michigan for Fiscal Years 2003, 2004, and 2005
APR605-702	3/23/2007	Audit of Radio Production Grants Awarded to Pundit Productions, Inc., Agreement Nos. 6334 and 7428, June 1, 2003 - June 30, 2006
APR502-704	3/30/2007	Audit of Selected Corporation for Public Broadcasting Co-Production Agreements Awarded to the Greater Washington Educational Telecommunications Association, Inc. (WETA), and CPB Program Challenge Fund Awards Between Public Broadcasting Service and WETA for Fiscal Years 2003-2004

### Review Results

In our opinion, the system of quality control for the audit function of the CPB OIG in effect for the year ended March 31, 2007, has been designed to meet the requirements of the quality control standards established by the Comptroller General of the United States for a Federal Government audit organization and was complied with during the year ended March 31, 2007 to provide the OIG with reasonable assurance of conforming with applicable auditing standards, policies, and procedures.

Your response to our draft report is included as Exhibit 1. We would like to thank you for the cooperation and professional courtesy that you and your staff extended to us.

Sincerely,



Deborah Stover-Springer  
Acting Inspector General

*Exhibit I*

*Response to Draft Report*



Corporation  
for Public  
Broadcasting

Office of Inspector General

November 26, 2007

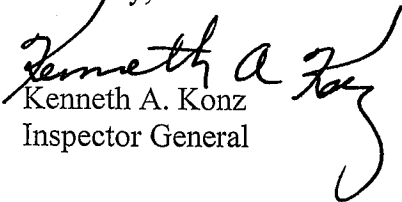
Ms. Deborah Stover-Springer  
Acting Inspector General  
Pension Benefit Guaranty Corporation  
Office of Inspector General  
1200 K Street, N.W., Suite 480  
Washington, D.C. 20005-4026

Dear Ms. Stover-Springer:

We have reviewed the draft report and are in agreement with your conclusions. As we discussed at the exit conference, we are working on updating our audit manual to address the new auditing standards and we will provide you with a copy of our revised procedures upon completion of our updates.

I would like to thank you and the entire peer review team for their professionalism in conducting the peer review. The team members conducted their work in an effective and efficient manner within tight time frames without any disruption to our ongoing work. Their efforts are sincerely appreciated. Further, their feedback will be useful as we update and clarify our revised procedures in our audit manual.

Sincerely,

A handwritten signature in black ink that reads "Kenneth A. Konz". The signature is written in a cursive style with a large, sweeping flourish at the end.  
Kenneth A. Konz  
Inspector General