September 25, 2026

Dan Loveland, Inspector General
U.S. International Development Finance Corporation
Office of Inspector General
1100 New York Avenue NW
Suite 270 West
Washington, DC 20527

Dear Mr. Loveland:

We reviewed established policies and procedures for the audit function of the U.S. International Development Finance Corporation (DFC) Office of Inspector General (OIG) in effect on March 31, 2026.[1] Established policies and procedures are one of the responses that an audit organization designs and implements to address one or more quality risks and provide itself with reasonable assurance of conforming with applicable professional standards. Requirements related to the design, implementation and operation of a system of quality management are described as generally accepted government auditing standards (GAGAS) in the *Government Auditing Standards*.

While the DFC OIG contracted its GAGAS engagements to Independent Public Accountants (IPAs) during the review period, the audit organization established and maintained policies and procedures for its audit function. Based on our modified peer review, the established policies and procedures for the audit function in effect on March 31, 2026, were current and consistent with applicable professional standards as stated.

Monitoring of GAGAS Engagements Performed by Independent Public Accountants

In addition to reviewing established policies and procedures for the audit function of the DFC OIG, we applied certain limited procedures in accordance with guidance established by the Council of the Inspectors General on Integrity and Efficiency (CIGIE) *Guide for Conducting Peer Reviews of Audit Organizations of Federal Offices of Inspector General* related to the DFC OIG's monitoring of GAGAS engagements performed by IPAs under contract where the IPA served as the auditor.

It should be noted that monitoring of GAGAS engagements performed by IPAs is not an audit; therefore, it is not subject to the requirements of *Government Auditing Standards*.

[1] The DFC OIG did not perform generally accepted government auditing standards (GAGAS) engagements during the review period. As such, the GAO OIG performed a modified peer review of the DFC OIG.

The purpose of our limited procedures was to determine whether the DFC OIG had controls to ensure that IPAs performed contracted work in accordance with professional standards. However, our objective was not to express an opinion; accordingly, we do not express an opinion on the DFC OIG's monitoring of work performed by IPAs.

Basis of Results

Our review was conducted in accordance with the CIGIE *Guide for Conducting Peer Reviews of Audit Organizations of Federal Offices of Inspector General* for assessing established audit policies and procedures.

During our review, we (1) obtained an understanding of the nature of the DFC OIG's audit function, (2) assessed established audit policies and procedures, and (3) assessed the DFC OIG's IPA monitoring process.

Sincerely yours,

L. Nancy Birnbaum

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L. Nancy Birnbaum
Inspector General
Government Accountability Office
Office of Inspector General

Enclosure

Enclosure

Office of Inspector General
U.S. International Development Finance Corporation

September 23, 2026

L. Nancy Birnbaum, Inspector General
Government Accountability Office
Office of Inspector General
441 G St. NW
Washington, DC 20548

Dear Inspector General Birnbaum,

Thank you for the opportunity to comment on the modified peer review report for the audit organization of the U.S. International Development Finance Corporation Office of Inspector General in effect on March 31, 2026. We are pleased your review found that our audit organization's established policies and procedures were current and consistent with applicable professional standards.

We appreciate the effort and professionalism demonstrated throughout the review process. We have no further comments on the draft report.

Sincerely,

DANIEL LOVELAND
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Daniel A. Loveland Jr.
Daniel A. Loveland Jr.
Inspector General