U.S. DEPARTMENT OF JUSTICE
Federal Bureau of Prisons

PROGRAM STATEMENT
External Auditing

Approved by	William K. Marshall III William K. Marshall III Director, Federal Bureau of Prisons
DPI	DCO
Number	1212.01
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Summary of Changes

Program Statement Rescinded:
- 1210.23 Management Control and Program Review Manual (8/21/2002)

Changes:
- Separates External Auditing Policy from Internal Auditing Policy.
- Adds a section on Prison Rape Elimination Act (PREA) Compliance Audits.
- Removes American Correctional Association (ACA) specific language and processes.
- Includes information about the Federal Prison Oversight Act (FPOA), Pub. L. No. 118-71 (7/25/2024).

1. PURPOSE AND SCOPE

This program statement prescribes standards and procedures designed to establish, maintain, evaluate, and improve Bureau of Prisons (Bureau) performance in external audit engagements initiated by external auditing authorities.

An external audit authority is any official third-party entity authorized to conduct audits, inspections, or evaluations of Bureau programs, operations, or practices on behalf of external stakeholders. Typically, an external audit authority will publish reports of its findings and recommendations to the Bureau of corrective actions to be taken. Depending upon the specific audit authority initiating the engagement, the auditors are either government officials from an agency outside the Bureau, or a contracted entity designated by a government component to audit the Bureau on behalf of an external interest. The Division of Compliance and Oversight (DCO) provides management for auditing engagements initiated by Offices of Inspector General (OIG), the Government Accountability Office (GAO), the Department of Justice's (DOJ) Justice Management Division (JMD), and the Bureau of Justice Assistance (BJA) PREA Management

Office (PMO). The provisions discussed herein apply to all Bureau components and facilities, including all Central Office divisions, regional offices, institutions, and Residential Reentry Centers (RRC).

a. **Program Objectives.**

- Provide support and guidance for all Bureau external audits initiated by one of the identified external audit authorities noted previously.
- Ensure all Bureau components and programs comply with applicable laws, regulations, policies, and procedures relating to external auditing engagements.
- Verify all Bureau institutions comply with applicable PREA standards.

b. **Institution Supplement.** None.

2. **EXTERNAL AUDIT ENGAGEMENTS**

a. **General.** Reports generated by external auditing authorities have significant direct impact on all levels of Bureau operations. The leadership of all Bureau components, including divisions, regions, and facilities, must be thoroughly familiar with the Bureau's external audit procedures and maximize the Bureau's responsiveness to external auditor requests and recommendations.

DCO is responsible for ensuring responses to external audit authorities are coordinated, timely, and high quality.

Ordinarily, information provided by a Bureau component in response to an external auditor request should first be sent to DCO, who will review and vet the information before providing it to the requesting external auditors.

Prior to submission to DCO, draft responses to requests or recommendations from external audit authorities shall be approved by the pertinent or responsible Assistant Director, Regional Director, or Warden to ensure the information collected appropriately reflects the Bureau or component's position.

After the external audit authority issues its final audit report with recommendations for corrective action, the pertinent Bureau components must take steps to implement applicable corrective actions and provide detailed updates to DCO, including the implementation timeline and supporting documentation. DCO will ensure the external auditing authority is provided timely, informative updates on the actions taken to address the recommendations.

b. **Entrance and Exit Conferences.** To ensure consistency and maximize the Bureau's coordination and presentation for all external auditing engagements, the Bureau components participating in an external audit must have appropriate subject matter expert (SME) and Senior

Executive Leadership representation at entrance and exit conferences with auditors. Senior Executive Leadership is defined as Assistant Director, Regional Directors, Wardens, Senior Deputy Assistant Directors, Deputy Assistant Directors, and Deputy Regional Directors. Senior Executive Leadership and SMEs must also be present at any scheduled preparation meetings for the entrance and exit conferences to discuss proposed remarks prior to engaging with the external auditors.

c. **Submissions to External Auditors.** The Bureau is required to submit information and written responses to external auditors throughout the audit engagement. Those submissions include the responses to data and document requests during the data gathering phase, technical comments and a formal response signed by the Bureau Director in response to draft reports, and status updates on open recommendations after the external auditor issues the final report. Data requests may include interviews and site visits.

DCO coordinates the Bureau's compliance with these submission requirements by requesting responses from applicable Bureau components and finalizing any written response to the external audit authority, including obtaining the appropriate signatures.

d. **Audit Deadlines.** It is essential to adhere to deadlines set by DCO, which are designed to meet external audit deadlines while factoring in time to consolidate, review, and vet component responses and supporting documentation.

Any request to extend an external audit deadline must be approved by the Assistant Director of DCO. This authority may be delegated to the Senior Deputy Assistant Director of DCO. If a component requires a deadline extension, the component must submit a written request to the DCO Management Analyst assigned to the engagement as soon as possible, including a proposed alternative deadline and an explanation for why the current deadline cannot be met.

e. **Inspections.** Ordinarily, the Bureau receives prior notification of an external auditor's intent to or inspect a particular site, but on occasion, auditors may arrive unannounced. If this occurs, the CEO of the facility being inspected must advise the DCO Senior Deputy Assistant Director upon learning of the inspection for coordination purposes.

f. **Federal Prison Oversight Act.** On July 25, 2024, Congress passed the Federal Prison Oversight Act (FPOA), P.L. 118-71. The FPOA establishes an inspections routine wherein OIG conducts periodic inspections of all Bureau facilities, utilizing a risk score methodology to review conditions of confinement and working conditions of staff. The FPOA also requires OIG to submit a final report six months after its inspection. The Bureau has 60 days to issue a response with its corrective actions plans.

Additionally, the FPOA requires the establishment of an independent Ombudsman whose primary duty is to receive complaints from inmates, family advocates, representatives, staff, staff representatives, Congress, and judges regarding the health, safety, and welfare or rights of an inmate and make determinations on the action to take regarding the complaint.

The Ombudsman will communicate any decisions to the complainant and the Bureau. The Ombudsman is granted access to all Bureau facilities and, if they request, the Bureau must respond to any inquiry or a request for information and inform any action(s) taken. The Bureau is required to produce records to the Ombudsman within 30 days, and within 10 days if the record pertains to the death of a staff member or inmate, threats of bodily harm (sexual or physical), or the delay or denial of necessary medical care.

3. PRISON RAPE ELIMIATION ACT (PREA) COMPLIANCE AUDITS

PREA was passed into law by the United States Congress in 2003, resulting in a series of standards and related federal regulations aimed at preventing, detecting, and responding to sexual abuse in detention and correctional facilities.

The Reentry Services Division (RSD) is responsible for the development and oversight of national PREA policy and procedure. See the Program Statement **Sexually Abusive Behavior Prevention and Intervention Program Manual** for additional information. DCO provides coordination and compliance support to institutions undergoing external PREA Compliance Audits. These audits are required pursuant to the PREA regulations and standards.

The PREA audit requirements are as follows:

- **Audit Frequency & Scope.** Each facility must be audited at least once every three years, and at least one-third of the total number of facility locations must be audited annually. The regulation also discusses an audit structure, including documentation review, tours, and audits of staff and the incarcerated, in accordance with 28 C.F.R. § 115.401.
- **Auditor Qualifications.** External PREA auditors must possess DOJ certification and establish an acceptable level of independence, in accordance with 28 C.F.R. § 115.402.
- **Audit Content & Findings.** Each PREA report must include the methodology and determination of compliance, individually reviewed and determined by the auditor. Emphasis is placed on maintaining a high level of audit independence from the audited facility/agency, in accordance with 28 C.F.R. § 115.403.
- **Audit Corrective Action Plan.** The corrective action plan process for a facility deemed noncompliant with one or more of the standards must meet certain requirements under 28 C.F.R. § 115.404.
- **Audit Appeals.** Final decisions on PREA audits may be refuted through the appeals process, should the audited agency have a strong rationale for questioning the result, in accordance with 28 C.F.R. § 115.405.

a. **PREA Audit Process – Phases & Associated Institution Requirements.** The PREA Audit

Process is made up of three distinct phases, each of which has its own institution requirements:

(1) **Pre-Audit Phase.** The Pre-Audit Phase is designated as the preparation period between notification of the audit by Central Office and the arrival of the PREA Compliance auditor at the institution. During this first phase of the audit process, the following activities will occur, requiring facility staff involvement:

- **One-on-One Virtual Meeting.** Institution staff will participate in a virtual meeting with the assigned DCO Management Analyst responsible for coordinating that institution's PREA audit. The Warden, PREA Compliance Manager(s), and any other staff the Warden has designated to assist in the PREA audit process must attend the meeting.
- **Completion of Audit Documentation and Facility Review of PREA Closed Case Files.** Institution staff will complete the required PREA Audit Questionnaire (PAQ) and collect all supporting documentation for purposes of auditor review. Upon notification of the audit reporting period, the PREA Compliance Manager (PCM) will convene a team to review all currently closed PREA cases that were alleged and/or investigated during the reporting period. Special Investigative Services (SIS) staff at the facility will be involved in the review of any inmate-on-inmate cases. Staff-on-inmate cases are investigated by the Bureau's Office of Internal Affairs (OIA), and OIA must make all documentation on its closed staff-on-inmate PREA cases readily available for auditor review upon request.

  Any noted concerns related to the written responses or documentation must be brought to the attention of the assigned Management Analyst by the PCM for consideration of any compliance issues and/or short-term corrective action that could be implemented by the facility prior to the auditor's arrival.
- **Logistic Preparation for On-Site Audit.** Institution staff must develop a tour route and be prepared to provide the PREA auditor(s) access to all areas where inmates are permitted.
- **Practice PREA Compliance Audit.** Institution staff must participate in the Practice PREA Compliance Audit scheduled and run by the assigned DCO Management Analyst. Practice audits may occur virtually or in-person. The DCO Management Analyst assigned to the facility will walk the determined tour route, conduct staff interviews, request inmates for interviews, review requested and available documentation, review all closed staff and inmate cases, and offer recommendations based on any observations.

  The institution is encouraged to have the required documentation completed and investigative files prepared prior to the Practice PREA Compliance Audit, so the assigned DCO Management Analyst can provide the institution with feedback on its level of readiness for the PREA Compliance Audit.
- **Practice PREA Compliance Audit Report.** Within 10 days of the Practice PREA Compliance Audit, the assigned DCO Management Analyst will provide the Warden a report of observations from the PREA Practice Audit. The report may include observations from the PREA Practice Audit, including, but not limited to sanitation, staff professionalism, and any

number of issues related to compliance with the PREA Standards. Concerns regarding potential non-compliance with a PREA standard will be referenced in the report. Prior to the next phase of the audit process, the Warden is required to implement corrective action and ensure compliance by issuing an assurance memorandum to the DCO Assistant Director.

(2) **On-Site Audit Phase.** DOJ-certified PREA Compliance Auditors will be on-site to conduct the audit. Typically, the audit will consist of a daily open-up and close-out, facility tour, inmate and staff interviews, and a thorough review of pertinent documentation, including inmate and staff perpetrated closed investigative files. The assigned DCO Management Analyst will also typically be on-site to provide any support needed to the institution during the audit.

(3) **Post Audit Phase.** The post-audit phase encompasses the period after the on-site audit through submission of the auditor's final report to both the Bureau and the DOJ PREA Management Office. During this post-audit phase, each PREA standard will be rated in accordance with one of three levels of compliance, including "Exceeds Standard" (substantially exceeds requirement of the standard); "Meets Standard" (substantial compliance; complies in all material ways with the standard for the relevant review period); or "Does Not Meet Standard" (insufficient compliance requiring corrective action). Determination of standard compliance is based on the auditor's observations during the tour, interviews on-site, and documentation reviewed during both the pre-audit and on-site phases.

Depending on the conclusions made by the auditor(s) pertaining to the institution's overall compliance on the PREA standards, the auditor has 45 days to provide either a final report indicating full compliance or a preliminary report indicating the areas of non-compliance in need of correction.

In "No Corrective Action Required" instances, the auditor has enough information to determine 100% compliance with the standards, the auditor has 45 calendar days to submit the final report to the Bureau, concluding the PREA Audit for that facility for the current three-year audit cycle.

In "Corrective Action Required" instances, within 45 days of the last day of the on-site audit, the auditor(s) will provide a draft of the PREA report. A finding of "Does Not Meet Standard" with one or more of the PREA standards will result in a corrective action period. During this period, the auditor and the Bureau will work jointly, for a maximum of 180 days, to develop and implement a corrective action plan for the standard(s) found to be out of compliance at the time of the on-site audit.

At the completion of the corrective action timeline, the auditor has 30 calendar days to amend their preliminary report, making it the final report, adding the final determination of compliance post-corrective action implementation. This final report concludes the facility's PREA Audit for the current three-year audit cycle. Should the facility be found noncompliant at the expiration of the corrective period, the final report shall indicate noncompliance. In these instances, the regional and Central Office must intervene to ensure a continuous period of 100% compliance with the implemented corrective action. The exact time frame of continuous compliance is at the discretion of the auditor who determined the facility was non-compliant. Following this period of compliance, the Central Office will request reevaluation of compliance.

4. **OTHER CONTRACTED EXTERNAL AUDIT ENGAGEMENTS**

The Bureau may contract with third parties to conduct other types of external audits or evaluations. If the Bureau decides to contract with an external third party for such engagements, the Bureau's specific needs and the processes involved/required will be addressed in a Statement of Work.

REFERENCES

Program Statements

Sexually Abusive Behavior Prevention and Intervention Program Manual

Federal Statutes

42 U.S.C. § 15601
5 U.S.C. §§ 401–424
31 U.S.C. §§ 702–793

Federal Regulations

28 C.F.R. §§ 115.401–115.405
28 C.F.R. §§ 115.11–115.93

ACA Standards

Performance-Based Standards and Expected Practices for Adult Correctional Institutions (5th Edition): 5-ACI-1A-03, 5-ACI-1A-12, 5-ACI-1A-17

Performance-Based Standards and Expected Practices for Adult Local Detention Facilities (5th Edition): 5-ALDF-7D-01, 5-ALDF-7D-03

Standards for Administration of Correctional Agencies (2nd Edition): 2-CO-1A-06, 2-CO-1A-07, 2-CO-1A-08, 2-CO-1A-09, 2-CO-1A-20, 2-CO-1A-21, 2-CO-1A-22, 2-CO-1A-23, 2-CO-1B-07

Other References

U.S. Government Accountability Office, Government auditing standards: 2024 revision (GAO-24-106786), February 2024

U.S. Government Accountability Office, Standards for Internal Control in the Federal Government (GAO-25-107721), May 2025

Executive Order 12805, 57 Federal Register 20627 (1992) "Integrity and Efficiency in Federal Programs"

DOJ Order 2900.6A, Audit Follow-up and Resolution Policy

DOJ Order 2900.10, Resolution of Inspection Audits

Federal Prison Oversight Act, P.L. No. 118-71 (7/25/2024)

Records Retention Requirements

Requirements and retention guidance for records and information applicable to this program are available in the Records and Information Disposition Schedule (RIDS) on the Bureau's intranet site.