



August 6, 2025

MEMORANDUM FOR JOHN ALLEN, ACTING INSPECTOR GENERAL, FEDERAL HOUSING
FINANCE AGENCY

FROM: Tammy L. Hull, Inspector General

SUBJECT: External Peer Review of the Federal Housing Finance Agency

We reviewed the system of quality control for the Federal Housing Finance Agency (FHFA) OIG in effect for the year ended March 31, 2025. A system of quality control includes multiple aspects of an organization, including, but not limited to, policies and procedures designed to provide reasonable assurance of compliance with the Council of the Inspectors General on Integrity and Efficiency's (CIGIE) Quality Standards for Inspection and Evaluation, December 2020 (Blue Book).

In our opinion, the system of quality control for the FHFA OIG in effect for the year ended March 31, 2025, has been suitably designed and complied with to provide the USPS OIG with reasonable assurance of performing and reporting in conformity with the Blue Book.

Inspection and Evaluation (I&E) organizations can receive a rating of pass, pass with deficiencies, or fail. The FHFA OIG has received an External Peer Review rating of pass.

Basis of Opinion

This required external peer review was conducted in accordance with CIGIE's Guide for Conducting External Peer Reviews of Inspection and Evaluation Organizations of Federal Offices of Inspector General July 2023 and the Memorandum of Understanding between the Offices of the Inspectors General of the USPS OIG and the FHFA OIG, entered into on April 1, 2025.

During our review, we interviewed FHFA OIG personnel and obtained an understanding of the nature of the FHFA OIG's I&E function and the design of the FHFA OIG's system of quality control sufficient to assess the risks implicit in its I&E function. Based on our assessments, we selected I&E reports and administrative files to test for conformity with Blue Book standards and compliance with the FHFA OIG's system of quality control.

In performing our review, we obtained an understanding of the system of quality control for the FHFA OIG's I&E function. In addition, we tested compliance with FHFA OIG's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the FHFA OIG's policies and procedures on selected I&E reports. Our review was based on selected tests; therefore, it would not necessarily detect all

weaknesses in the system of quality control or all instances of noncompliance with it.

Prior to concluding the peer review, we reassessed the adequacy of the scope of the peer review procedures and met with FHFA OIG's management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion. Enclosure 1 to this report identifies the FHFA OIG's offices that we visited and the I&E reports we reviewed.

The FHFA OIG's management officials provided a response to our Peer Review Report (Enclosure 2) in which they agreed with our overall rating.

Responsibilities and Limitations

The FHFA OIG is responsible for establishing and maintaining a system of quality control designed to provide the FHFA OIG with reasonable assurance that the organization and its personnel comply in all material respects with Blue Book standards. Our responsibility is to express an opinion on the design of the system of quality control and the FHFA OIG's compliance based on our review.

There are inherent limitations in the effectiveness of any system of quality control; therefore, noncompliance with the system of quality control may occur and may not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the 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.

**TAMMY
HULL**

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TAMMY HULL
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Tammy L. Hull
Inspector General

Enclosure 1

Offices Visited

FHFA-OIG headquarters, 400 7th Street, SW, Washington, D.C. 20219

Reports Reviewed

Compliance Reports

- COM-2025-001: [FHFA's Office of the Ombudsman Did Not Meet Two Deadlines When Processing Incoming Submissions | FHFA-OIG](#)
- COM-2024-003: [FHFA Incorporated the FAR's Whistleblower Protection Language for Contractor Employees in Selected Open Market Solicitations and Awards | FHFA-OIG](#)

Evaluations

- EVL-2025-002: [FHFA Has Taken Supervisory Actions to Address Multifamily Risk Management Deficiencies at Freddie Mac, but Current Market Conditions Present Challenges | FHFA-OIG](#)
- EVL-2024-003: [FHFA Could Enhance Its Supervision of the Federal Home Loan Banks by Incorporating Lessons Learned from the Spring 2023 Bank Failures | FHFA-OIG](#)

Inspections

- COM-2024-001: [FHFA Has Acted to Strengthen Its Oversight of Federal Home Loan Bank Members' Compliance with Community Support Requirements \(Inspection\) | FHFA-OIG](#)
- COM-2025-005: [Inspection: FHFA Oversight of Freddie Mac's Issuance of Suspicious Activity Reports | FHFA-OIG](#)



OFFICE OF INSPECTOR GENERAL

Federal Housing Finance Agency

400 7th Street SW, Washington, DC 20219

August 13, 2025

Tammy L. Hull
Inspector General
United States Postal Service
1735 North Lynn Street
Arlington, Virginia 22209-2020

Dear Inspector General Hull:

Thank you for the opportunity to respond to your office's draft report on the external peer review of the Federal Housing Finance Agency Office of Inspector General (FHFA-OIG). We are pleased to receive a pass rating from the external peer review. This rating validates that our system of quality control is suitably designed and provides reasonable assurance that we perform evaluations, inspections, and compliance reviews in conformity with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*, and report the results of those functions in compliance with the Standards.

FHFA-OIG remains committed to maintaining an effective system of quality control, complying with applicable professional standards, and abiding by its own internal policies and procedures.

We appreciate the professionalism and efforts of your staff in conducting this peer review.

Sincerely,

JOHN ALLEN

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ALLEN
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John "Joe" Allen
Acting Inspector General