



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

MEMORANDUM

DATE: January 19, 2022

TO: USAID/Senegal, Mission Director, Peter Trenchard

FROM: USAID OIG Africa Regional Office, Audit Director, Robert Mason /s/

SUBJECT: Financial Audit of USAID Resources Managed by African Center for Advanced Studies in Management in Multiple Countries Under Cooperative Agreement AID-685-A-16-00001, January 1 to December 31, 2020 (Report No. 4-685-22-028-R)

This memorandum transmits the final audit report on USAID resources managed by the African Center for Advanced Studies in Management (CESAG) for the Young African Leaders Initiative (YALI) West Africa Regional Leadership Center in Dakar. YALI West Africa provides training to future African leaders from Benin, Burkina Faso, Cameroon, Cape Verde, Chad, Côte d'Ivoire, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, São Tomé and Príncipe, Senegal, and Togo. CESAG contracted with the independent certified public accounting firm Audit & Management Consulting Services (AMCS), Dakar, Senegal, to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards (GAGAS) and USAID Financial Audit Guidelines for Foreign Organizations. However, it did not have continuing professional education and an external peer review that fully satisfied the requirements of GAGAS. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on CESAG's fund accountability statement; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

The audit objectives were to (1) express an opinion on whether the fund accountability statement for the period audited, was presented fairly, in all material respects; (2) evaluate CESAG's internal controls; (3) determine whether CESAG complied with award terms and applicable laws and regulations; (4) review the indirect cost rate; and (5) review the implementation status of the prior period recommendations.

To answer the audit objectives, AMCS (1) audited the fund accountability statement for the award including the budgeted amounts by category and major items and the revenues received

¹ We reviewed the audit firm's report for conformity with professional reporting standards. Our desk reviews are typically performed to identify any items needing clarification or issues requiring management attention. Desk reviews are limited to review of the audit report itself and excludes review of the auditor's supporting working papers; they are not designed to enable us to directly evaluate the quality of the audit performed.

from USAID for the period covered by the audit and the costs reported by CESAG as incurred from January 1 to December 31, 2020; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to CESAG's ability to report financial data consistent with the assertions embodied in each account of the fund accountability statement; (3) identified the award terms and pertinent laws and regulations and determined which of those, if not observed, could have a direct and material effect on the fund accountability statement; (4) determined that the review of the indirect cost rate was not applicable; and (5) reviewed the implementation status of the prior period recommendations. CESAG reported expenditures of \$1,055,373 in USAID funds during the audited period.

The audit firm concluded the fund accountability statement presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. The audit firm identified no questioned costs; no material weaknesses in internal control; and no instances of material noncompliance.

Accordingly, we are not making any recommendations.

During our desk review, we noted several minor issues which the audit firm will need to address in future audit reports. We presented these issues in a memo to the controller, dated January 19, 2022.

OIG does not routinely distribute independent public accounting reports beyond the immediate addressees because a high percentage of these reports contain information restricted from release under the Trade Secrets Act, 18 U.S.C. 1905 and Freedom of Information Act Exemption Four, 5 U.S.C. 552(b)(4) ("commercial or financial information obtained from a person that is privileged or confidential").