



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

### MEMORANDUM

**DATE:** July 25, 2022

**TO:** USAID/Bosnia and Herzegovina Mission Director, Courtney Chubb

**FROM:** USAID OIG Middle East and Eastern Europe (ME/EE) Regional Office, Supervisory Auditor, John Vernon /s/

**SUBJECT:** Audit of the Schedule of Expenditures of Center for Civil Society Promotion Under Multiple Awards in Bosnia and Herzegovina, January 1 to December 31, 2021 (8-168-22-023-R)

This memorandum transmits the final audit report of the schedule of expenditures of Center for Civil Society Promotion under the following awards:

Award Name (Type)	Award Number	Period	Sub-implementer
Independent Media Empowerment Program (Grant)	AID-168-A-17-00001	January 1, 2021 to December 31, 2021	N/A
Economically Empowerment Women from Main Tourist Centers (Grant) (Non-USAID fund)	S-BK800-21-GR-3045	June 28, 2021, to December 31, 2021	N/A

Center for Civil Society Promotion contracted with the independent audit firm RSM BH d.o.o. Sarajevo to conduct the audit. The audit firm stated that it performed its audit in accordance with U.S. Government Auditing Standards issued by the Comptroller General of the United States. However, it did not participate in an external quality control review program and did not have a continuing education program that fully satisfied the standards' requirements. The audit firm said that Bosnia and Herzegovina does not offer such a review program. With respect to the continuing education program, the audit firm said that they could not satisfy the standards' requirements because they could not fully obtain the U.S. Government auditing related hours. The audit firm is responsible for the enclosed report and the conclusions

expressed in it. We do not express an opinion on the auditee's schedule of expenditures; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.<sup>1</sup>

The audit objectives were mainly to: (1) express an opinion on whether the schedule of expenditures for the period audited was presented fairly in all material respects; (2) evaluate the auditee's internal controls; and (3) determine whether the auditee complied with the awards terms and applicable laws and regulations. To answer the audit objectives, the audit firm performed the subject financial audit the covered \$868,809 for the period from January 1 to December 31, 2021.

The audit firm expressed an unmodified opinion on the schedule of expenditures and did not identify any questioned costs. The audit firm did not identify any material weaknesses in internal control or any material instances of noncompliance. The audit firm issued a management letter.

During our desk review, we noted an area of improvement which the audit firm should address in future audit reports. We presented this area in a memo to the USAID/Bosnia and Herzegovina controller dated July 25, 2022.

The report does not include any recommendations for your action.

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").

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<sup>1</sup> 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.