



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

MEMORANDUM

DATE: February 8, 2023

TO: USAID/Colombia Mission Director, Anupama Rajaraman

FROM: Latin America and Caribbean (LAC) Regional Office, through Global and Strategic Audits Division (GSAD) Assistant Director, Pamela Hamilton /s/

SUBJECT: Financial Audit of the Producers to Market Alliance Program in Colombia, Managed by FINTRAC, INC., Contract AID-514-C-17-00002, October 1, 2019, to September 30, 2021 (9-514-23-001-N)

This memorandum transmits the final audit report on the Producers to Market Alliance Program in Colombia. FINTRAC, INC. (FINTRAC) contracted with the independent certified public accounting firm CPA BAAS S.A.S to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards. However, it did not have an external peer review because such program is not offered in Colombia. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on FINTRAC's schedule of expenditures of USAID awards; 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 schedule of expenditures of USAID awards for the period audited, was presented fairly, in all material respects; (2) evaluate FINTRAC's internal controls; and (3) determine whether FINTRAC complied with award terms and applicable laws and regulations. To answer the audit objectives, the audit firm reported that they assessed and tested the internal controls related to the project; assessed and tested compliance with applicable laws, regulations, the contract's provisions; and reviewed project expenditures. The audit covered \$23,660,701 of USAID expenditures for the audited period.

The audit firm concluded the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited.

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.

The audit firm did not identify any material weaknesses in internal control or instances of material noncompliance with applicable laws, regulations, and contract terms. The audit firm issued a management letter which included minor internal control deficiencies.

Based on the results of the desk review, OIG is not making any recommendation to USAID/Colombia.

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").