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

MEMORANDUM

DATE: February 24, 2023

TO: USAID/Management/Office of Acquisition and Assistance/Cost, Audit and Support Division, Contract Audit Management Branch, Acting Supervisory Auditor, Sheree F. Marshall

FROM: Director of External Financial Audits Division (IG/A/EFA), David A. McNeil /s/

SUBJECT: Audit of Incurred Costs Submission for LINC, LLC for the Fiscal Years Ended December 2018 and 2019 (3-000-23-013-I)

This memorandum transmits the final audit report on the incurred costs submission (ICS) for LINC, LLC (LINC) for the fiscal year's (FY) ended December 31, 2,018, and 2019. The U.S. Agency for International Development (USAID) Office of Acquisition and Assistance, Cost, Audit and Support Division, Contract Audit Management Branch contracted with the independent certified public accounting firm of Tichenor & Associate, LLP, to conduct the audit. The audit firm stated that it performed its audit in accordance with government auditing standards issued by the Comptroller General of United States. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on whether costs claimed by LINC in the ICS for the FY's ended December 31, 2018, and 2019, are accurate, allowable, allocable, and reasonable in accordance with contract terms and applicable Government acquisition regulations.[1]

The audit's objective was to perform an audit of LINC's FY 2018 and 2019 ICS and determine whether the costs claimed in the FY's 2018 and 2019 ICS were accurate, allowable, allocable, and reasonable in accordance with the LINC's USAID contracts and applicable Government acquisition regulations. To answer the audit's objective, Tichenor & Associates, LLP, reviewed LINC's FY's 2018 and 2019 ICS and reconciled it to the LINC's general ledger and other records and documentation, reviewed applicable rules, regulations, and guidance, reviewed LINC's policies and procedures regarding claimed direct and indirect costs, sampled significant cost elements for testing the accuracy, allowability, allocability, and reasonableness of the costs incurred, performed other testing procedures as determined by cost element, documented the results of testing, including schedules presenting accepted indirect rates, allowable costs, and cumulative allowable costs, and summarized LINC's USAID billings from their billings and

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[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.

reconciled them with the accepted audited FY 's 2018 and 2019 costs. Tichenor & Associate, LLP examined USAID incurred costs of $ 2,946,588 for the FY's ended December 31, 2018, and 2019.

Tichenor & Associates, LLP, concluded that LINC prepared its FY's 2018 and 2019 ICS in accordance with applicable Government acquisition regulations of the Federal Acquisition Regulation, the USAID Acquisition Regulations, and the Department of State Standard Travel Regulations regarding accuracy, allowability, allocability, and reasonableness of incurred costs and that it is appropriate for use in executing the finalization of allowable costs and indirect rates for the FY's 2018 and 2019. Tichenor & Associate, LLP noted no findings. Further, Tichenor & Associate, LLP did not identify any questioned costs.

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").