



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: May 31, 2023

TO: USAID/Management/Office of Acquisition and Assistance/Cost, Audit and Support Division, Contract Audit Management Branch, Acting Supervisory Auditor, Maya Cole

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

SUBJECT: Performance Audit Over the Adequacy and Cost Accounting Standards Compliance of Disclosure Statement, Revision 5 for DAI Global, LLC (3-000-23-031-I)

This memorandum transmits the final audit report on the Performance Audit over the Adequacy and Cost Accounting Standards Compliance of Disclosure Statement, Revision 5 for DAI Global, LLC (DAI) limited to the period following the effective date of September 15, 2021, including an audit fieldwork period from January 2023 through March 2023. The United States Agency for International Development (USAID) contracted Management Consultant, PLLC (Brown & Company) to conduct the audit. Brown & Company stated that it performed its audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). Brown & Company is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on DAI's disclosed accounting practices; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

The audit objectives were to determine whether DAI's cost accounting practices comply with the Cost Accounting Standards (CAS). To answer the audit objectives, Brown & Company selected procedures dependent on its judgement, including an assessment of the risks of noncompliance, whether due to fraud or error, and involved the examination of evidence about the disclosed cost accounting practices.

Brown & Company concluded that DAI's Disclosure Statement, Revision 5 is current, accurate, complete, and adequately describe the contractor's cost accounting practices, as well as

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.

discloses cost accounting practices that materially comply with CAS, including the design, implementation, and maintenance of internal controls to prevent or detect and correct noncompliance due to fraud or error.

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”).