



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: August 16, 2023

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

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

SUBJECT: Financial Audit of Stichting International NGO Safety Organisation Under Multiple USAID Awards for the Period Ended December 31, 2020 (3-000-23-038-R)

This memorandum transmits the final audit report on the U.S. Agency for International Development (USAID) resources managed by Stichting International NGO Safety Organisation (SINSO) under multiple awards for the period ended December 31, 2020. SINSO contracted with the independent certified public accounting firm Crowe U.K. LLP (Crowe) to conduct the audit. Crowe stated that it performed its audit in accordance with generally accepted government auditing standards (GAGAS) and the USAID Guidelines for Financial Audits Contracted by Foreign Recipients. However, it did not fully satisfy the continuing professional education requirement in GAGAS. In addition, Crowe reported it did not have an external peer review because no such program is offered by professional organizations in the United Kingdom. Crowe is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on SINSO'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 SINSO's internal controls; (3) determine whether SINSO complied with award terms and applicable laws and regulations; and (4) ensure that the recipient has returned any excess cash to the US Government. Also, ensure that all assets procured with program funds were disposed of in accordance with the terms of the agreements. To answer the audit objectives, Crowe (1) reviewed SINSO's internal controls related to USAID programs to obtain sufficient

¹ We reviewed the audit 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 audit firm's supporting working papers; they are not designed to enable us to directly evaluate the quality of the audit performed.

understanding of the design of relevant control policies and procedures and whether those policies and procedures have been in operation during the audited period; (2) evaluated the control environment, the adequacy of the accounting systems and control procedures; (3) performed tests to determine whether the recipient complied, in all material respects, with agreement terms and applicable laws and regulations related to USAID-funded programs; and (4) ensured that all assets (inventories, fixed assets, commodities, etc.) procured with program funds were disposed of in accordance with the terms of the agreements. The audit covered USAID-funded total expenditures of \$9,810,275 for the fiscal year ended December 31, 2020.

Crowe concluded that the fund accountability statement presents fairly, in all material respects, program revenues and costs incurred and reimbursed, and commodities and technical assistance directly procured by USAID incurred under the award for the period audited in accordance with the terms of the agreement. Crowe did not identify any questioned costs. Crowe did not identify any material weaknesses in internal control or instances of material noncompliance. There were no reportable audit findings from the prior year. Crowe reported that for the final closeout audits, no assets or inventory were remaining at the end of the project that required a disposition plan.

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"). In addition, USAID OIG has determined that this transmittal memo and the enclosed report are not subject to notification and reporting requirements under Section 5274 of the National Defense Authorization Act.²

² The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 Pub. L. No. 117-263, § 5274. Please direct related inquiries to oinotice_ndaa5274@usaid.gov.