



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

MEMORANDUM

DATE: July 26, 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: Performance Audit of Incurred Costs Submission for CAMRIS International for the Fiscal Year 2019 (3-000-23-046-I)

This memorandum transmits the final audit report on incurred costs submission (ICS) for CAMRIS International (CAMRIS) for fiscal year 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 & Associates, LLP (Tichenor) to conduct the audit. Tichenor stated that it performed its audit in accordance with government auditing standards issued by the Comptroller General of the United States. Tichenor is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on whether costs claimed by CAMRIS on the ICS for the fiscal year 2019 are accurate, allowable, allocable, and reasonable in accordance with contract terms and applicable Government acquisition regulations.¹

The audit's objective was to determine whether the costs claimed by CAMRIS on the ICS for fiscal year 2019 were accurate, allowable, allocable, and reasonable in accordance with the auditee's USAID contracts and applicable Government acquisition regulations, specifically the Federal Acquisition Regulation (FAR), the USAID Acquisition Regulations (AIDAR), Federal Travel Regulations and/or the Department of State Standard Travel Regulations (DSSR), and Buy-American Act for the contracting officer to execute the finalization of allowable contract costs and indirect rates for the fiscal year with the auditee. To answer the audit's objective,

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.

Tichenor designed its testing procedures to review the incurred costs reported by CAMRIS for fiscal year 2019 and reconciled it to the auditee's general ledger, and other records and documentation provided by the auditee, to determine its adequacy for audit purposes. Tichenor examined total USAID incurred costs of \$35,706,333 in the fiscal year 2019.

Tichenor concluded that CAMRIS has prepared its fiscal year 2019 ICS in accordance with applicable Government acquisition regulations of the FAR, the AIDAR, and the DSSR regarding the accuracy, allowability, allocability, and reasonableness of incurred costs and are appropriate for the contracting officer's use in executing the finalization of allowable costs and indirect rates for the fiscal year with the auditee. Tichenor did not identify any questioned costs and did not disclose any findings that are required to be reported under Government Auditing Standards. However, Tichenor found that the auditee may have over-billed USAID by \$700,707 for fiscal year 2019.

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 oignotice_ndaa5274@usaid.gov.