



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: March 7, 2024

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

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

SUBJECT: Performance Audit of Incurred Costs Claimed on Cost-Type Contracts by Millennium Partners Consulting, LLC for the Year Ended December 31, 2020 (3-000-24-025-1)

This memorandum transmits the final audit report on incurred costs claimed on cost-type contracts by Millennium Partners Consulting, LLC (MPC) for the year ended December 31, 2020. 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 Brown and Company CPA's and Management Consultants, PLLC (Brown & Company) to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards. Brown & Company is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on whether the costs claimed by MPC are accurate, allowable, allocable, and reasonable in accordance with contract terms and applicable government acquisition regulations.¹

The audit objective was to determine whether the costs claimed by MPC on in-scope awards and subawards for the year ended December 31, 2020, are allowable, allocable, and reasonable in accordance with award terms; Part 31 of the Federal Acquisition Regulation (FAR); Agency for International Development Acquisition Regulation (AIDAR); Department of State Standardized Regulation (DSSR); and Title 2 U.S. Code of Federal Regulations (CFR) 200, as applicable. To answer the audit's objective, Brown & Company (1) analyzed cost-type contracts, (2) assessed risk including testing of claimed costs, (3) reconciled booked costs to billed costs, (4) determined whether contract limitations were applicable, (5) evaluated internal controls, (6) assessed risk and materiality that included sampling transactions for direct and indirect costs and journal entries, (7) reviewed claimed costs for compliance with applicable requirements and specific contract provisions, (8) reviewed executive compensation, (9) tested accounts related

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.

to consultants and subcontractors, and (10) reviewed the indirect cost allocation bases. Brown & Company reviewed flexibly priced contracts and Time & Material contracts for the year ending December 31, 2020, that totaled \$1,228,472.

Brown & Company concluded that the costs claimed by MPC for in-scope contracts and subcontracts for fiscal year 2020 are allowable, allocable, and reasonable in accordance with contract terms, Part 31 of the FAR, AIDAR, DSSR, and 2 CFR 200, as applicable. The audit firm did not identify any questioned costs and did not disclose any findings that are required to be reported under Government Auditing Standards.

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.