



Non-Federal Audit Snapshot







USAID OIG Africa Regional Office

Covering July – December 2023
Report No. 4-000-24-001-A

USAID’s **non-Federal audit (NFA)** program helps ensure that contracts, cooperative agreements, and other foreign assistance awards meet Federal requirements. NFAs (financial audits typically performed by independent public accounting firms) help safeguard taxpayer dollars. USAID OIG reviews the NFA reports for compliance with government auditing reporting standards and transmits the reports and recommendations to USAID. Learn more in the [NFA Primer](#).

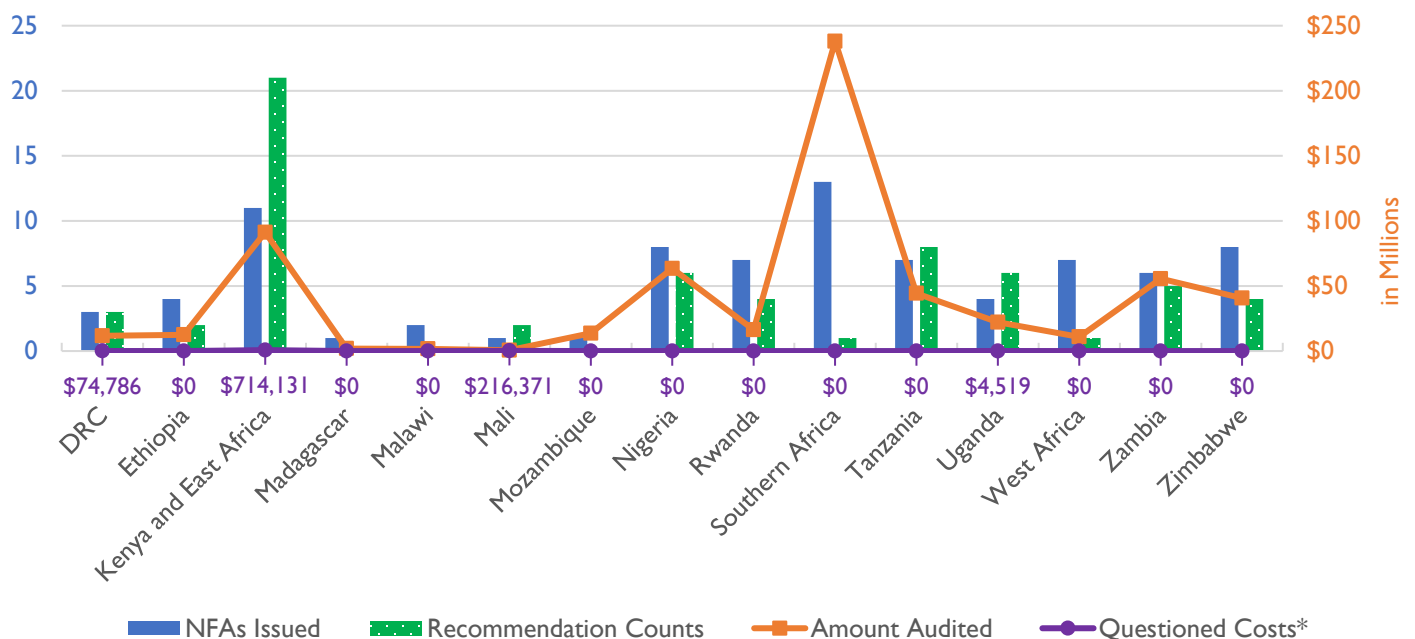
This **NFA Snapshot** highlights program data, audit findings, and recommendations in NFA reports transmitted by USAID OIG’s Africa Regional Office from July 1 to December 31, 2023.

By the Numbers: NFA Reports, Findings, and Recommendations

	NFAs Issued	83		Questioned Costs	\$1,009,807
	Amount Audited	\$624,697,931		Recommendations Issued	63
	Findings: Material Weaknesses in Internal Control	41		Findings: Compliance	77

- More than 90 percent of NFAs pertained to HIV/AIDS, tuberculosis, malaria, and other health programs.
- About 50 percent of audited expenditures pertained to USAID programs through the regional missions for Kenya and East Africa (attributed mostly to Kenya programs) and Southern Africa (attributed mostly to South Africa programs) and country missions for Nigeria and Zambia. The other half concerned 10 USAID country missions and the West Africa Regional Mission.





NFA Activity by Cognizant Mission



*Note: Questioned Costs are shown in thousands.

USAID OIG reviews NFA reports for key attributes including adherence to professional standards, completeness, and compliance with required formats. USAID OIG returns noncompliant reports to USAID and identifies areas needing correction prior to acceptance. Supplementary Memos of Review Comment (MRCs) describe nonmaterial errors for the auditors to adjust in future NFA reports.

By the Numbers: OIG Desk Reviews

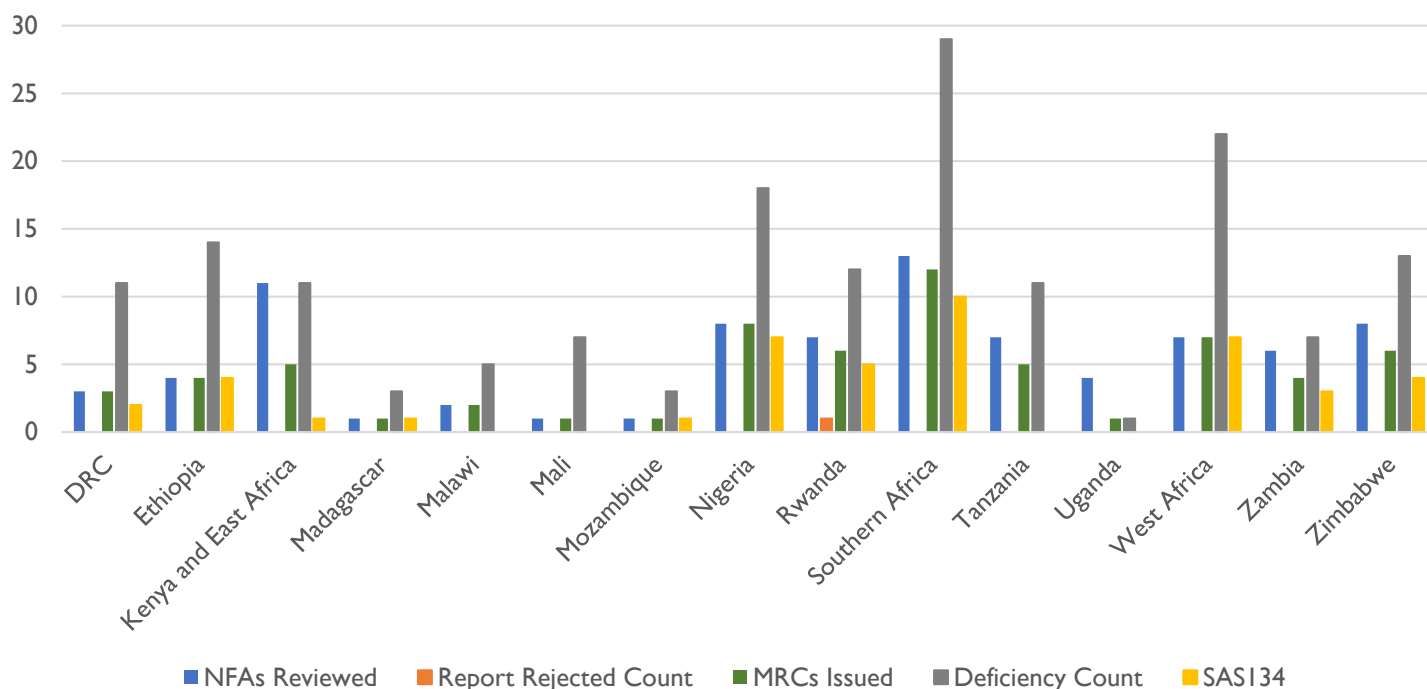
	NFAs Reviewed	84		Independent Public Accounting Firms that Performed NFAs	58
	NFA Reports Rejected and Returned to USAID	1		Supplementary “Memos of Review Comment” Issued	66

Special Matter – SAS 134

In 2019, the Accounting Standards Board announced an update to Statement on Auditing Standards (SAS) 134, “Auditor Reporting and Amendments,” that changed NFA reporting requirements for audits. USAID did not update its NFA guidance to reflect the new requirements. As a result, only 38 of the 83 NFA reports issued between July and December 2023 complied with SAS 134.

Typically, this noncompliance would warrant NFA report rejection by USAID OIG. USAID OIG brought the matter to USAID’s attention. The Agency’s Chief Financial Officer requested a pause on report rejection for this issue and additional time to update the Agency’s NFA guidance and provide training. USAID OIG agreed and continues to monitor the issue.

NFA Quality Comparison by Cognizant Mission



USAID OIG’s Africa Regional Office provides independent audit oversight of USAID programs across 50 countries in sub-Saharan Africa from its offices in Pretoria, South Africa, and Dakar, Senegal.

We prepared this information brief and the charts and figures therein using public and nonpublic information. We followed USAID OIG’s policies and procedures for agile products, which were aligned, where appropriate, with the Council of the Inspectors General for Integrity and Efficiency’s *Quality Standards for Federal Offices of Inspector General*.