



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: June 25, 2024

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

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

SUBJECT: Single Audit of Relief International, Inc., for the Years Ended December 31, 2020 (3-000-24-047-T)

This memorandum transmits the final audit report on the single audit of Relief International, Inc., (Relief International) for the Year Ended December 31, 2020. The audit report was obtained from the Federal Audit Clearinghouse. Relief International contracted with the independent audit firm Clark Nuber PS (Clark Nuber) to conduct the audit. Clark Nuber stated it performed its audit in accordance with U.S. Government accounting standards issued by the Comptroller General of the United States and Title 2 Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Clark Nuber is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Relief International's consolidated financial statements; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.¹

Clark Nuber's audit objectives were to: (1) express an opinion on the financial statements; (2) obtain reasonable assurance about whether Relief International's combined financial statements are free from material misstatement; and (3) express an opinion on compliance for each of Relief International's major Federal programs based on the types of compliance requirements referred to in the Office of Management and Budget Compliance Supplement that could have a direct and material effect on each of Relief International's major federal programs for the year ended December 31, 2020. To answer the audit objectives, Clark Nuber: (1) obtained evidence about the amounts and disclosures in the financial statements; (2) evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by

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.

management, and evaluated the overall presentation of the financial statements; and (3) tested Relief International's compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters which could have a direct and material effect on the determination of financial statement amounts. Relief International's audited expenditures of Federal awards was \$55,305,402, of which the U.S. Agency for International Development's (USAID) audited expenditures amounted to \$40,293,500.

Clark Nuber expressed an unmodified opinion on the financial statements and on compliance for major Federal programs. Further, Clark Nuber reported that it did not find any material weaknesses and significant deficiencies in internal control over financial reporting and did not find any material weaknesses in internal control over major programs. Clark Nuber did, however, identify three significant deficiencies in internal control over major Federal programs, against which no questioned costs were determined, but were required to be reported in accordance with 2 CFR 200.516(a). We are not making a recommendation for the three significant deficiencies Clark Nuber reported. However, we suggest that USAID/Management/Office of Acquisition and Assistance/Cost, Audit, and Support Division, Contract Audit Management Branch determine if Relief International addressed the three significant deficiencies Clark Nuber identified.

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.