



## MEMORANDUM

**DATE:** December 11, 2018

**TO:** USAID/Management/Office of Acquisition and Assistance/Cost, Audit, and Support Division, Branch Chief, David A. McNeil

**FROM:** Director of External Financial Audits, Abdoulaye Gueye /s/

**SUBJECT:** Audit of International Catholic Migration Commission Under USAID Agreements AID-OFDA-A-13-00039 and AID-OFDA-A-15-00044 for the Fiscal Year Ended December 31, 2015 (3-000-19-002-R)

This memorandum transmits the final audit report on the recipient contracted audit of International Catholic Migration Commission (ICMC) under the U.S. Agency for International Development's (USAID) Agreements AID-OFDA-A-13-00039 and AID-OFDA-A-15-00044 for fiscal year (FY) ended December 31, 2015. ICMC contracted with Deloitte & Touche (M.E.) of Amman, Jordan with offices in Syria to conduct the audit. The contract required Deloitte & Touche (M.E.) to perform the audit in accordance with U.S. government auditing standards issued by the Comptroller General of the U.S. and USAID's Office of Inspector General's *Guidelines for Financial Audits Contracted by Foreign Recipients* issued in February 2009<sup>1</sup>.

Deloitte & Touche (M.E.) states that it performed its audit in accordance with U.S. government auditing standards issued by the Comptroller General and the Office of Inspector General's *Guidelines for Financial Audits Contracted by Foreign Recipients* except that the audit firm's professional education program did not fully satisfy the continuing professional education requirements set forth in U.S. government auditing standards issued by the Comptroller General and its external quality control review did not meet U.S. government auditing standards issued by the Comptroller General since no comparable program is offered in Syria. Deloitte & Touche (M.E.) is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on ICMC's fund accountability statement; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations<sup>2</sup>.

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<sup>1</sup> On June 30, 2017, USAID OIG rescinded its *Guidelines for Financial Audits Contracted by Foreign Recipients*, recognizing the Agency's role to impose requirements on its implementing partners and contractors as a management function. This contracted audit, however, was initiated before that date and follows the *Guidelines*.

<sup>2</sup> 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.

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 ICMC's internal controls; and (3) determine whether ICMC complied with the awards' terms and applicable laws and regulations. To answer the audit objectives, the audit firm: (a) performed tests to determine whether ICMC complied, in all material respects, with the awards terms and applicable laws and regulations related to USAID-funded programs; (b) reviewed unliquidated advances to ICMC and pending reimbursements by USAID; and (c) ensured that ICMC returned any excess cash to USAID. The report on the fund accountability statement disclosed that ICMC's audited expenditures were \$924,226, consisting solely of USAID's audited expenditures for the FY ended December 31, 2015. There was no management letter submitted with the audit report,

Deloitte & Touche (M.E.) concluded that: (1) the fund accountability statement presented fairly, in all material respects, program revenues received, costs incurred and reimbursed for the year ended December 31, 2015 in accordance with the terms of the agreement and in conformity with the accrual basis of accounting; (2) the auditor did not identify any deficiencies that were considered material weaknesses in internal control; and (3) the auditor disclosed no material instances of noncompliance that are required to be reported under U.S. Government Auditing Standards. Deloitte & Touche (M.E.) did not identify any findings or questioned costs.

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").

If you have any questions related to this report, please contact Steve Shea, Assistant Director, at (202) 712-1386 or [sshea@usaid.gov](mailto:sshea@usaid.gov).

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