



MEMORANDUM

DATE: January 29, 2020

TO: USAID/Senegal, Regional Mission Director, Peter Trenchard

FROM: USAID OIG Africa Regional Office, Assistant Director, Matthew Rathgeber /s/

SUBJECT: Financial Audit of USAID Resources Managed by ONG Décentralisation-Droits Humains-Développement Local (ONG 3D) in Senegal Under Multiple Awards, January 1 to December 31, 2018 (Report No. 4-685-20-036-R)

This memorandum transmits the final audit report on USAID Resources Managed by ONG Décentralisation-Droits Humains-Développement Local (ONG 3D) under the following awards:

Award Name (Type)	Award Number	Audit Period	Prime implementer
Parliamentary Assistance and Civic Engagement (PACE - SUNUBUDGET Program) (cooperative agreement)	AID-685-A-13-00004	Jan. 1- Dec. 31, 2018	
KAWRAL Program (cooperative agreement)	72068518CA000012	Sept. 24-Dec. 31, 2018	
SUNUELECTION Program (subaward)	72068518CA000016	July 23-Dec. 31, 2018	NSA Platform

ONG 3D contracted with the independent certified public accounting firm Audit & Management Consulting Services (AMCS), Dakar, Senegal, to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards (GAGAS), except that the audit firm did not have continuing professional education and external quality control review programs that fully satisfied the requirements set forth in GAGAS. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on ONG 3D's fund accountability statement; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

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.

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 ONG 3D's internal controls; (3) determine whether ONG 3D complied with award terms and applicable laws and regulations; (4) review the indirect cost rate; and (5) review the implementation status of prior period recommendations.

To answer the audit objectives, AMCS (1) audited the fund accountability statement for the award including the budgeted amounts by category and major items and the revenues received from USAID for the period covered by the audit and the costs reported by ONG 3D as incurred from January 1 to December 31, 2018; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to ONG 3D's ability to report financial data consistent with the assertions embodied in each account of the fund accountability statement; (3) identified the award terms and pertinent laws and regulations and determined which of those, if not observed, could have a direct and material effect on the fund accountability statement; (4) determined that the review of the indirect cost rate was not applicable; and (5) reviewed the implementation status of prior period recommendations. ONG 3D reported expenditures of \$1,237,742² in USAID funds during the audited period.

The audit firm concluded the fund accountability statement presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. The audit firm did not identify any questioned costs; no material weaknesses in internal control; and no instances of material noncompliance. The audit firm also issued a management letter.

During our desk review, we noted several minor issues which the audit firm will need to address in future audit reports. We presented these issues in a memo to the controller, dated January 29, 2020.

Accordingly we are not making any recommendations.

We appreciate the assistance extended during the engagement.

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").

² Total expenses agreement AID-685-A-13-00004 of \$780,345 + total expenses agreement 720685CA000012 of \$64,191 + total expenses subaward 72068518CA000016 of \$393,206 = \$1,237,742