



MEMORANDUM

DATE: May 27, 2020

TO: USAID/Jamaica Country Representative, Jason Fraser

FROM: USAID OIG Latin America and Caribbean (LAC) Regional Office, Senior Auditor, John Vernon /s/

SUBJECT: Closeout Audit of the Fi Wi Jamaica Program, Managed by the University of Technology, Cooperative Agreement AID-532-A-15-00001, April 1, 2017, to May 20, 2018 (9-532-20-026-R)

This memorandum transmits the final audit report on the Fi Wi Jamaica Program. The University of Technology (UTECH) contracted with the independent certified public accounting firm BDO Jamaica to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards. However, it did not have a continuing education program that fully complies with GAGAS. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on UTECH's fund accountability statement; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

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 UTECH's internal controls; (3) determine whether UTECH complied with award terms and applicable laws and regulations; and (4) determine if UTECH has taken adequate corrective action on prior audit recommendations. To answer the audit objectives, the audit firm reported that they assessed and tested the internal controls related to the project and compliance with applicable laws, regulations, the agreement's provisions and reviewed project expenditures. The audit covered \$1,194,983 of USAID expenditures for the audited period.

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 firm concluded the fund accountability statement presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. However, the audit firm identified ineligible questioned costs in the fund accountability statement for a total of \$9,746. The ineligible questioned costs were related to a duplicated payment. Since the questioned costs did not meet the OIG's established threshold of \$25,000 for making a recommendation, we are not making a recommendation. Nevertheless, we suggest that USAID/Jamaica determine the allowability of the \$9,746 in questioned costs and recover any amount determined to be unallowable.

The audit firm did not identify any material weaknesses in internal control or instances of material noncompliance with applicable laws, regulations, and agreement terms. The audit firm issued a management letter which included minor internal control deficiencies.

The audit firm determined that cost sharing contributions were made and accounted for by UTECH in accordance with the agreement terms.

Additionally, the audit firm determined that the recipient has taken adequate corrective actions on prior audit report recommendations.

Based on the results of the desk review, OIG is not making any recommendation to USAID/Jamaica.

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").