



## MEMORANDUM

**DATE:** June 18, 2020

**TO:** USAID/Management/Office of Acquisition and Assistance/Cost Audit and Support Division, Acting Supervisory Auditor, Eleanor C. Jefferson

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

**SUBJECT:** Examination of Weidemann Associates, Inc. Indirect Cost Rate Proposal and Related Books and Records for the Year Ended December 31, 2014 (3-000-20-047-1)

This memorandum transmits the final examination report on Weidemann Associates, Inc. (Weidemann) on in-scope contracts and subcontracts for the year ended December 31, 2014. The U.S. Agency for International Development (USAID) Office of Acquisition and Assistance, Cost, Audit, and Support Division contracted with the independent certified public accounting firm of Booth Management Consulting, LLC to conduct the examination. The audit firm stated that it performed its examination in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in generally accepted government auditing standards. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on whether costs claimed by Weidemann on in-scope contracts and subcontracts for the year ended December 31, 2014 are allowable, allocable and reasonable in accordance with award terms; Part 31 of the Federal Acquisition Regulation (FAR); Agency for International Development Acquisition Regulation (AIDAR); Department of State Standardized Regulation (DSSR); and 2 Code of Federal Regulations (CFR) 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as applicable.<sup>1</sup>

The examination's objective was to express an opinion on whether the costs claimed by Weidemann on in-scope contracts and subcontracts for the year ended December 31, 2014 are allowable, allocable, and reasonable in accordance with award terms; Part 31 of the FAR; AIDAR; DSSR; and 2 CFR 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as applicable. To answer the examination's objective, Booth Management Consulting, LLC designed its testing procedures to evaluate the internal control environment surrounding Weidemann's subcontract management process and to verify that

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<sup>1</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.

Weidemann had adequate controls in place for monitoring subcontractor costs. Its examination included the reconciliation of the adjusted total costs booked to date and the cumulative amount billed, by contract and reporting any over/under-billings. The audit firm examined USAID incurred costs of \$14,931,882 for the year ended December 31, 2014.

Booth Management Consulting, LLC expressed an unmodified opinion that costs claimed by Weidemann on in-scope contracts and subcontracts for the year ended December 31, 2014 are allowable, allocable, and reasonable in accordance with award terms; Part 31 of the FAR; AIDAR; DSSR; and 2 CFR 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as applicable. Booth Management Consulting, LLC's examination did not disclose any findings that are required to be reported under government auditing standards. There were no questioned costs.

We appreciate the assistance extended during the engagement.

OIG does not routinely distribute independent public accounting reports beyond the immediate addresses 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").