



MEMORANDUM

DATE: December 23, 2020

TO: USAID/Regional Mission Director to Ukraine and Belarus, James Hope

FROM: USAID/OIG Middle East and Eastern Europe (ME/EE) Regional Office, USDH NFA Coordinator, John Vernon /s/

SUBJECT: Audit of the Fund Accountability Statement of Ukrainian Helsinki Human Rights Union, Under Multiple Awards in Ukraine, January 1 to December 31, 2019 (8-121-21- 014-R)

This memorandum transmits the final audit report of the fund accountability statement of Ukrainian Helsinki Human Rights Union under the following awards:

Award Name (Type)	Award Number	Period	Subimplementer
Responding to Human Rights Violations and Empowering Citizens and Human Rights Defenders in Ukraine Activity (Cooperative agreement)	AID-121-A-14-00004	January 1 to December 31, 2019	N/A
Educational Program Among Ukrainian Journalists, Civil Society and Human Rights Organizations to Increase Support for the Dignity and Equality of LGBTIQ (Sub-grant agreement not funded by USAID)	17-DOS122-02	January 1 to December 31, 2019	Ukrainian Helsinki Human Rights Union
Program to Protect the Rights of the LGBTI Community in Ukraine by Countering Radicalism and Sexual Discrimination	SUP30018GR0093	January 1 to July 31, 2019	N/A

(Fixed amount award not funded by USAID)			
Free Voices: Supporting Journalists and Promoting Independent Media (federal assistance award not funded by USAID)	SLMAQM I 8GR2209	January 1 to December 31, 2019	Human Rights House Foundation - Crimean Human Rights Group - Human Rights Information Center
Stronger Together: Development of the Network and Raising Capacity of Ukrainian CSOs (Federal assistance award not funded by USAID)	SLMAQM I9G R2312	September 30 to December 31, 2019	Crimean Human Rights Group - Human Rights Information Center

The auditee contracted with the independent certified public accounting firm RSM Ukraine to conduct the audit. The audit firm stated that it performed its audit in accordance with the U.S. Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States. However, it did not participate in an external quality control review program and did not have a continuing education program that fully satisfies the standards' requirements. The audit firm said that Ukraine does not offer such a review program. With respect to the continuing education program, the audit firm said that they could not satisfy the standards' requirements because they could not fully obtain the U.S. Government auditing related hours. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on the auditee's fund accountability statement; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.¹

The audit objectives were mainly to: (1) express an opinion on whether the fund accountability statement for the period audited was presented fairly, in all material respects; (2) evaluate the auditee's internal controls; and (3) determine whether the auditee complied with the award terms and applicable laws and regulations. To answer the audit objectives, the audit firm performed the subject financial audit that covered \$549,745 from January 1 to December 31, 2019.

The auditors expressed an unmodified opinion on the fund accountability statement and did not identify any questioned costs. The auditors did not identify any material weaknesses in internal control, or any material instances of noncompliance with the agreement's terms and applicable laws and regulations. Further, the audit firm issued a management letter.

The report does not include any recommendations for your action.

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").

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.