



MEMORANDUM

DATE: May 10, 2021

TO: USAID/Afghanistan, Mission Director, Tina Dooley-Jones

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

SUBJECT: Close-Out Audit of International Organization for Migration Under Support for the USAID Construction of Health and Education Facilities Program in Afghanistan, Cooperative Agreement AID-306-A-00-08-00512, January 1, 2015 to June 30, 2016 (8-306-21-029-N)

This memorandum transmits the final close-out audit report on the fund accountability statement of International Organization for Migration, under Support for the USAID Construction of Health and Education Facilities program in Afghanistan, cooperative agreement AID-306-A-00-08-00512, for the period from January 1, 2015 to June 30, 2016.

USAID/Afghanistan contracted with the independent certified public accounting firm Samson T A and Associates PLLC to conduct the audit. The audit firm stated that it performed its audit in accordance with the U.S. Government Auditing Standards and USAID's audit guide. 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 award, 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 auditee complied with the award terms

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.

and applicable laws and regulations. To answer the audit objectives, the audit firm performed the subject financial audit the covered \$963,777 for the period from January 1, 2015 to June 30, 2016.

The audit firm expressed an unmodified opinion on the fund accountability statement and identified \$5,859 of unsupported questioned costs. The auditors did not identify any material weaknesses in internal control but identified one material instance of noncompliance. Since the questioned costs did not meet OIG's established threshold of \$25,000 for making a recommendation, we are not making a recommendation. Nevertheless, we suggest that USAID/Afghanistan determine the allowability of the \$5,859 in questioned costs and recover any amounts determined to be unallowable.

During our desk review, we noted 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 May 10, 2021.

Since the auditee has no other current awards with USAID/Afghanistan, we are not including a procedural recommendation regarding the material instance of noncompliance. However, if USAID/Afghanistan considers future awards to the auditee, it should ensure that adequate policies and procedures are established and implemented to address this finding, as detailed on pages 21 of the audit report.

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").