



MEMORANDUM

DATE: August 17, 2021

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

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

SUBJECT: Performance Audit of Dexis Consulting Group's Original Disclosure Statement dated April 13, 2020 (3-000-21-050-1)

This memorandum transmits the final report on the performance audit of Dexis Consulting Group's (Dexis) original disclosure statement dated April 13, 2020. 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 (BMC) to conduct the audit. The audit firm stated that it performed its audit 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. BMC is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on whether Dexis' Original Disclosure Statement dated April 13, 2020 is current, accurate, complete, and adequately describes the contractor's cost accounting practices, as well as discloses cost accounting practices that materially comply with cost accounting system (CAS), including the design, implementation, and maintenance of internal controls to prevent or detect and correct non-compliance due to fraud or error.¹

The audit objectives were to conclude on whether Dexis' Original Disclosure Statement, dated April 13, 2020, is adequate and compliant with CAS and, more specifically, whether the Disclosure Statement:

- Is current, accurate, complete, and adequately describes Dexis's cost accounting practices, as noted in 48 CFR Section 9903.202-6, Adequacy of Disclosure Statement
- Discloses cost accounting practices that materially comply with CAS, as dictated by Title 48 of the CFR, section 9904.401–420, including the design, implementation, and maintenance of internal controls to prevent or detect and correct non-compliance due

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.

to fraud or error in accordance with FAR Part 52.230-1, Cost Accounting Standards Notices and Certification.

To answer the audit objectives, BMC conducted its performance audit from April through July 2021, in the following three phases:

1. Planning – Reviewed the Original Disclosure Statement for potential areas of outdated, inaccurate, and/or incomplete disclosed practices, to determine if the disclosure statement is acceptable for audit; and performed other planning procedures to assess audit risk and determine the nature and extent of fieldwork.
2. Internal Controls and Testing – Determined the design effectiveness of the internal controls over the maintenance of the Original Disclosure Statement, conducted walkthroughs over the contractor’s cost accounting practices to determine the adequacy of the Original Disclosure Statement, and determined if the disclosed cost accounting practices are compliant with CAS.
3. Wrap-Up and Reporting – Concluded on the adequacy and CAS compliance of the Original Disclosure Statement, as a result of audit procedures performed and within the context of the audit objectives.

BMC concluded that Dexis’ Original Disclosure Statement is current, accurate, complete, and adequate, and is presented in accordance with Title 48 of the CFR, Section 9903.202, Adequacy of Disclosure Statement, and discloses cost accounting practices that materially comply with CAS, as dictated by Title 48 of the CFR, Sections 9904.401-420. BMC stated that this includes the design, implementation, and maintenance of internal controls to prevent or detect and correct non-compliance due to fraud or error in accordance with FAR Part 52.230-1, Cost Accounting Standards Notices and Certification, in all material respects.

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”).