



MEMORANDUM

DATE: September 23, 2021

TO: USAID/Bosnia and Herzegovina Mission Director, Nancy J. Eslick

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

SUBJECT: Audit of the Fund Accountability Statement of Center for Media Development and Analysis, Under Multiple Awards in Bosnia and Herzegovina, January 1 to December 31, 2020 (8-168-21-027-R)

This memorandum transmits the final audit report on Center for Media Development and Analysis (CRMA) incurred costs under the following awards:

Award Name (Type)	Award Number	Period	Sub-implementer
Upgrade technical performance of CRMA and improve production and distribution of media content project (closeout) (subgrant)	SG-S-R31759-94 m00	January 1 to April 30, 2020	Center for Media Development and Analysis
Assistance to citizens in fight against corruption project (subgrant)	ACFC 02/19	January 1 to December 31, 2020	Center for Media Development and Analysis
Production of multimedia stories on civic actions project (closeout) (subgrant)	SG-S-R31759-77 m00	January 1 to April 30, 2020	Center for Media Development and Analysis

Award Name (Type)	Award Number	Period	Sub-implementer
Investigating stories on topics of political interference by the energy companies project (subgrant)	SG-S-R31759-21 m00	April 1 to December 31, 2020	Center for Media Development and Analysis
Investigative Journalism Program (grant)	72016819GR00002	January 1 to December 31, 2020	N/A
Securing better digital security and safe work environment for CRMA project (closeout) (subgrant)	SG-S-R31759-107 m00	May 25 to July 31, 2020	Center for Media Development and Analysis
Production of stories on public procurement project (subgrant)	SG-S-R31759-114 m00	September 1, to December 31, 2020	Center for Media Development and Analysis
Encouraging Professional Media Reporting ¹ (closeout) (grant)	2019-1169	January 1 to December 31, 2020	N/A

The auditee contracted with the independent certified public accounting firm RSM BH d.o.o. Sarajevo to conduct the audit. The audit firm stated that it performed its audit in accordance with U.S. government auditing standards issued by the Comptroller General of the United States. However, it did not have an external quality control review program and continuing education program that fully satisfies the standards' requirements. The audit firm explained that Bosnia and Herzegovina does not offer such a review program. With respect to the continuing education program, the audit firm said that they could not fully comply with the U.S. government auditing related hours. The audit firm is responsible for the enclosed auditor's 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 controls; or its compliance with the awards, laws, and regulations.²

¹ This grant was not funded by USAID.

² 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 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 awards terms and applicable laws and regulations. To answer the audit objectives, the auditors performed the subject financial audit that covered \$824,037 in USAID expenditures from January 1 to December 31, 2020.

The audit firm expressed an unmodified opinion on the fund accountability statement and did not identify any questioned cost. The audit firm did not identify any material weaknesses in the internal control. The audit firm did not identify any material instances of noncompliance with the awards terms and applicable laws and regulations. The audit firm issued a management letter. The report included personally identifiable information in Annexes 2 and 3.

During our desk review, we noted a minor issue which the audit firm would need to address in future audit reports. We presented this issue in a memo to the controller dated September 23, 2021.

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").