



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** November 15, 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:** Single Audit of JSI Research and Training Institute, Inc. and Affiliate for the Fiscal Year Ended September 30, 2017 (3-000-22-002-T)

This memorandum transmits the final audit report on the single audit of JSI Research and Training Institute, Inc. and Affiliate (JSI) for the fiscal year (FY) ended September 30, 2017. The audit report was obtained from the Federal Audit Clearinghouse. JSI contracted with the independent certified public accounting firm Norman R. Fougere, Jr., CPA (FOUGERE) to conduct the audit. The audit firm states it performed its audit in accordance with generally accepted government auditing standards and in accordance with Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The audit firm is responsible for the enclosed report and conclusions expressed in it. We do not express an opinion on JSI's financial statements; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.<sup>1</sup>

The audit objectives were to: (1) express an opinion on whether the financial statements as of September 30, 2017 were presented fairly in all material respects; (2) express an opinion on whether the schedule of expenditures of federal awards as required by Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is fairly stated in all material respects; (3) describe the scope of testing of internal control and compliance and the results of that testing and not to provide an opinion on its effectiveness; and (4) determine whether the JSI complied in all material respects with the types of compliance requirements that could have a direct and material effect on each of its major federal programs and the results of that testing, but not to express an opinion on its effectiveness. To answer the audit objectives, the audit firm performed tests of JSI's compliance with specific provisions of laws, regulations, contracts, and grant agreements and other matters. JSI's audited expenditures of federal awards were \$240,595,875 of which the U.S. Agency for

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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.

International Development's (USAID) audited expenditures of Federal Awards were \$196,167,728 for fiscal year ended September 30, 2017.

The audit firm expressed unmodified opinions on the financial statements and on compliance for the major federal programs and concluded that the schedule of expenditures of federal awards was fairly stated, in all material respects, in relation to the financial statements taken as a whole. The audit firm did not identify any material weaknesses in internal control or internal control over compliance. In addition, FOUGERE did not identify any instances of noncompliance or other matters that were required to be reported under *Government Auditing Standards*.

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").