



## MEMORANDUM

**DATE:** October 26, 2021

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

**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 Veterinaires San Frontieres Suisse Under Multiple Awards for the Year Ended December 31, 2018 (8-000-22-003-R)

This memorandum transmits the final audit report of the fund accountability statement of Veterinaires San Frontieres Suisse under the following awards:

<b>Award Name (Type)</b>	<b>Award Number</b>	<b>Period</b>	<b>Sub-implementer</b>
Lifesaving and Livelihood Restoration Project II in South Central Somalia (Cooperative Agreement) (Closeout audit)	AID-OFDA-G-16-00203	January 1 to July 31, 2018	n/a
Lifesaving and Livelihoods Restoration Project III in South Central Somalia (Cooperative Agreement)	720FDA18GR00307	October 1 to December 31, 2018	n/a
Livestock Emergency Response Project in Greater Upper Nile States, South Sudan (Sub Grant) (Closeout audit)	AID-OFDA-G-17-00122	January 1 to July 31, 2018	Veterinaires San Frontieres Suisse
Livestock Emergency Response Project IV (Sub Grant)	720FDA18GR00270	August 1 to December 31, 2018	Veterinaires San Frontieres Suisse

Veterinaires San Frontieres Suisse contracted with the independent certified public accounting firm PricewaterhouseCoopers, Kenya to conduct the audit. The audit firm stated that it performed its audit in accordance with U.S. Government Auditing Standards and USAID's Guidelines for Financial Audits Contracted by Foreign Recipients. However, it did not participate in an external quality control review program and continuing education program that fully satisfies the standards' requirements. The audit firm explained that Kenya 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 report and the conclusions expressed in it. We do not express an opinion on auditee's fund accountability statement; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.<sup>1</sup>

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 awards terms and applicable laws and regulations. To answer the audit objectives, the audit firm performed the subject financial audit the covered \$2,032,778 for the period from January 1, 2018 to December 31, 2018.

The audit firm expressed an unmodified opinion on the fund accountability statement and did not identify any questioned costs. The audit firm did not identify any material weaknesses in internal control or any instances of material noncompliance. Further, the audit firm issued a management letter.

During our desk review, we noted minor issues which the audit firm may need to address in future audit reports. We presented these issues in a memo to USAID's Chief Financial Officer dated October 26, 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").

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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.