



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: November 30, 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: Follow-Up on the Performance Audit Report on Camp Dresser & McKee International, Inc.'s Accounting System Administration (3-000-22-006-1)

This memorandum transmits the final report on the Follow-Up on the Performance Audit Report on Camp Dresser & McKee International (CDMI), Inc.'s Accounting System Administration. 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 follow-up performance audit. The audit firm stated that it performed its follow-up performance audit in accordance with generally accepted government auditing standards. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on whether CDMI established an adequate accounting system; or its compliance with applicable Federal laws and regulations.¹

The audit objective was to conclude on whether CDMI has followed up on findings in the performance audit report completed in May 2019. BMC conducted this performance follow-up audit from March 2021 to August 2021, in Columbia Maryland in the following phases:

1. Planning - Assessed the design of CDMI's policies and key internal controls relating to the accounting system criteria.
2. Internal Controls and Testing - Tested the implementation of CDMI's policies and key internal controls.
3. Wrap-up and Reporting - Concluded on the adequacy of the accounting system as a result of audit procedures performed and within the context of the audit objectives.

BMC concluded that CDMI has adequate policies and procedures and management reviews or internal audits of its system to ensure compliance with the contractor's established policies,

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.

procedures, and accounting practices – which resolves Finding No. 1 – Lack of Policies and Procedures for Internal Audits. CDMI also has a management review system to ensure compliance with the contractor’s established policies, procedures and accounting practices – which resolves Finding No. 2 – Unallowable Costs Included in Direct Cost Accounts. Thereby resolving the two deficiencies identified in the performance audit reported completed in May 2019.

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”).