



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

MEMORANDUM

DATE: November 16, 2021

TO: USAID/Mexico Mission Director, Bruce Abrams

FROM: USAID OIG Latin America and Caribbean (LAC) Regional Office, Senior Auditor, John Vernon /s/

SUBJECT: Financial Audit of Ciudadanos en Apoyo a los Derechos Humanos, A.C. Under Multiple Awards in Mexico, for the Fiscal Year Ended December 31, 2020 (9-523-22-009-R)

This memorandum transmits the final audit report on Ciudadanos en Apoyo a los Derechos Humanos, A.C. (CADHAC) under the following awards:

Award Name	Award Number	Period
Promoting the effective response for the State to the enforced and other types of disappeared from Nuevo León (cooperative agreement)	72052318CA00008	January 1 to December 31, 2020
Integral care for victims and promotion of the disappearance and torture laws in Nuevo León (closeout audit)	PO000296	January 1 to July 17, 2020

CADHAC contracted with the independent certified public accounting firm CPA Contadores Públicos Certificados y Asociados, S.C. to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards, USAID Financial Audit Guide for Foreign Organizations, and International Standards on Auditing. However, it did not have an external peer review because such program is not offered in Mexico. The audit firm is responsible for the enclosed report and the conclusions

expressed in it. We do not express an opinion on CADHAC's fund accountability statement; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

The audit objectives were to (1) express an opinion on whether the fund accountability statement for the period audited, was presented fairly, in all material respects; (2) evaluate CADHAC's internal controls; and (3) determine whether CADHAC complied with award terms and applicable laws and regulations. To answer the audit objectives, the audit firm reported that they assessed and tested the internal controls related to the project; assessed and tested compliance with applicable laws, regulations, the agreement's provisions; and reviewed project expenditures. The audit covered \$1,542,616 of USAID expenditures for the audited period.

The audit firm concluded the fund accountability statement presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited.

The audit firm did not identify any material weaknesses in internal control or instances of material noncompliance with applicable laws, regulations, and agreement terms.

The audit firm did not mention if subrecipients were audited. However, the expenses of the International Commission on Missing Persons were above the audit threshold totaling \$798,454. We are not making a formal recommendation on this issue; however, we bring this to the Agreement Officer's attention to verify that the recipient addressed the issue noted.

Based on the results of the desk review, OIG is not making any recommendation to USAID/Mexico.

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").

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.