



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** November 3, 2023

**TO:** USAID/Management/Office of Acquisition and Assistance/Cost, Audit, and Support Division, Contract Audit Management Branch, Supervisory Auditor, Sheree F. Marshall

**FROM:** Director of External Financial Audit Division (IG/A/EFA), David A. McNeil /s/

**SUBJECT:** Single Audit of International Medical Corps Financial Statements for June 30, 2019 (3-000-24-004-T)

This memorandum transmits the final audit report on the single audit of International Medical Corps (IMC) Financial Statements for June 30, 2019. The audit report was obtained from the Federal Audit Clearinghouse. KPMG LLP (KPMG) performed the Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards audit in accordance with U.S. Government accounting standards issued by the Comptroller General of the United States. KPMG is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on IMC's financial statement; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.<sup>1</sup>

KPMG's audit objectives were to: (1) express an opinion on the June 30, 2019, financial statements; (2) obtain reasonable assurance about whether IMC's financial statements are free from material misstatement; and (3) express an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance. To answer the audit objectives, KPMG: (1) performed procedures to obtain audit evidence about the amounts and disclosures in the financial statements; (2) evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, and evaluated the overall presentation of the financial statements; (3) considered IMC's internal control over financial reporting; and (4) performed tests of IMC's compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. IMC's audited expenditures of Federal awards was

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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.

\$111,625,683, of which the U.S. Agency for International Development's (USAID) audited expenditures amounted to \$85,532,310.

KPMG expressed an unmodified opinion on the financial statements and stated that the financial statements presented fairly, in all material respects, IMC's financial position as of June 30, 2019, and the changes in its net assets and its cash flows in accordance with U.S. generally accepted accounting principles. Further, KPMG reported that it did not find any material weaknesses and significant deficiencies in internal control over financial reporting. In addition, KPMG did not identify any material weaknesses and significant deficiencies in internal control over major programs. Finally, KPMG did not identify any questioned costs relating to Federal awards as defined in the Uniform Guidance.

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"). In addition, USAID OIG has determined that this transmittal memo and the enclosed report are not subject to notification and reporting requirements under Section 5274 of the National Defense Authorization Act.<sup>2</sup>

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<sup>2</sup> The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 Pub. L. No. 117-263, § 5274. Please direct related inquiries to [oignotice\\_ndaa5274@usaid.gov](mailto:oignotice_ndaa5274@usaid.gov).