



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** July 26, 2024

**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 Winrock International Institute for Agricultural Development and Affiliates for the Year Ended December 31, 2021 (3-000-24-058-T)

This memorandum transmits the final audit report on the single audit of Winrock International Institute for Agricultural Development and Affiliates (Winrock) for the Year Ended December 31, 2021. The audit report was obtained from the Federal Audit Clearinghouse. Winrock contracted with the independent audit firm Marcum LLP (Marcum) to conduct the audit. Marcum stated it performed its audit in accordance with U.S. Government accounting standards issued by the Comptroller General of the United States and Title 2 Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Marcum is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Winrock's schedule of expenditures of Federal awards; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.<sup>1</sup>

Marcum's audit objectives were to: (1) obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement; (2) obtain reasonable assurance about whether material noncompliance with the compliance requirements occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on the audit; and (3) test if Winrock complied, in all material respects, with the compliance requirements that could have a direct and material effect on its major federal program for the year ended December 31, 2021. To answer the audit objectives, Marcum: (1) identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error and designed and performed audit procedures

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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.

responsive to those risks; (2) obtained an understanding of internal control; and (3) obtained an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance. Winrock's audited expenditures of Federal awards was \$71,396,823, of which the U.S. Agency for International Development's (USAID) audited expenditures amounted to \$ 54,609,663.

Marcum expressed an unmodified opinion and stated that the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Further, Marcum reported that it did not identify any deficiencies in internal control that we consider to be material weaknesses. The results of Marcum's tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. Finally, Marcum reported that Winrock complied, in all material respects, with the compliance requirements that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

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).