



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: August 21, 2024

TO: USAID/Bureau for 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 Audits Division (IG/A/EFA), David A. McNeil /s/

SUBJECT: Audit of Incurred Costs for DT Global, Inc., for Fiscal Years Ended September 30, 2020, and 2021 (3-000-24-053-1)

This memorandum transmits the final audit report on incurred costs submission (ICS) for DT Global, Inc., (DT Global) for Fiscal Years (FY) Ended September 30, 2020, and 2021. The U.S. Agency for International Development (USAID) Office of Acquisition and Assistance, Cost, Audit and Support Division, Contract Audit Management Branch contracted with the independent certified public accounting firm of Tichenor & Associates, LLP, (Tichenor) to conduct the audit. Tichenor stated that it performed its audit in accordance with government auditing standards issued by the Comptroller General of United States. Tichenor is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on whether costs claimed by DT Global, in its FYs 2020 and 2021 ICS are accurate, allowable, allocable, and reasonable in accordance with contract terms and applicable Government acquisition regulations.¹

Tichenor's audit objectives were to test DT Global's FYs 2020 and 2021 ICS as per the Federal Acquisition Regulation (FAR), USAID Acquisition Regulation (AIDAR), 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Federal Travel Regulations, the Department of State Standard Travel Regulations (DSSR), Buy-American requirements, and U.S. Government contract/award terms. To answer the audit's objectives, Tichenor (1) reviewed DT Global's FYs 2020 and 2021 Incurred Cost Submission (ICS) and reconciled it to the general ledger; (2) reviewed applicable rules, regulations, and guidance; (3) reviewed DT Global's policies and procedures regarding claimed direct and indirect costs; (4) examined, on a test basis, evidence supporting the amounts and disclosures in DT Global's data and records evaluated; and (5) assessed the accounting principles used and significant estimates made by DT Global. Tichenor examined USAID allowable costs of

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.

\$56,993,260 for FY 2020 and \$50,233,645 for FY 2021.

Tichenor concluded that DT Global prepared its FYs 2020 and 2021 ICSs in accordance with applicable Government acquisition regulations in the FAR, the AIDAR, and the DSSR regarding accuracy, allowability, allocability, and reasonableness of incurred costs and is appropriate for the Contracting Officer's use in finalizing of allowable costs and indirect rates for the 2020 and 2021 fiscal years. Further, Tichenor identified no questioned costs or adjustments to the proposed direct and indirect amounts for contract reimbursement on select unsettled flexibly priced contracts in the ICSs submitted by DT Global for the period of October 1, 2019, through September 30, 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.²

² 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.