



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: October 21, 2024

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

FROM: David A. McNeil /s/
Director
External Financial Audits Division

SUBJECT: Single Audit of International Medical Corps' Financial Statements for June 30, 2021(3-000-25-001-T)

This memorandum transmits the final audit report on the Single Audit of International Medical Corps (IMC) Financial Statements for June 30, 2021. The audit report was obtained from the Federal Audit Clearinghouse. IMC contracted with the independent audit firm KPMG LLP (KPMG) to conduct the audit. 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 express in it. We do not express an opinion on IMC's schedule of expenditures for Federal awards; the effectiveness of its internal control; or its compliance with the awards, laws and regulations.¹

KPMG's audit objectives were to: (1) express an opinion on compliance for each major federal program based on the compliance requirements described in the OMB Compliance supplements that could have a direct and material effect; (2) express an opinion on the financial statements; and (3) obtain reasonable assurance about whether IMC's financial statements are free from material misstatement. To answer the audit objectives, KPMG: (1) considered IMC's internal control over financial reporting; (2) considered the IMC's internal control over compliance with the types of requirements that could have a direct and material effect on each

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.

major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing 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; (3) performed procedures to obtain audit evidence about the amounts and disclosures in the financial statements; and (4) 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. IMC's audited expenditures of Federal awards was \$129,338,236, of which the U.S. Agency for International Development's (USAID) audited expenditures amounted to \$109,055,073.

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, 2021, and the changes in its net assets and its cash flows in accordance with U.S. generally accepted accounting principles. Further, KPMG reported that did not identify any deficiencies in internal control that we consider to be material weaknesses or no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. In addition, in KPMG's opinion, IMC complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on its major federal program for the year ended June 30, 2021. KPMG did not identify any questioned costs relating to Federal awards as defined in the Uniform Guidance. Finally, KPMG issued IMC with a management letter.

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.