



# Non-Federal Audit Snapshot







## USAID OIG LAC Regional Office

Covering July – December 2023  
Report No. I-000-24-001-A

USAID’s **non-Federal audit (NFA)** program helps ensure that contracts, cooperative agreements, and other foreign assistance awards meet Federal requirements. NFAs—financial audits typically performed by independent public accounting firms—help safeguard taxpayer dollars. USAID OIG reviews NFA reports for compliance with government auditing reporting standards and transmits the reports and recommendations to USAID. Learn more in the [NFA Primer](#).

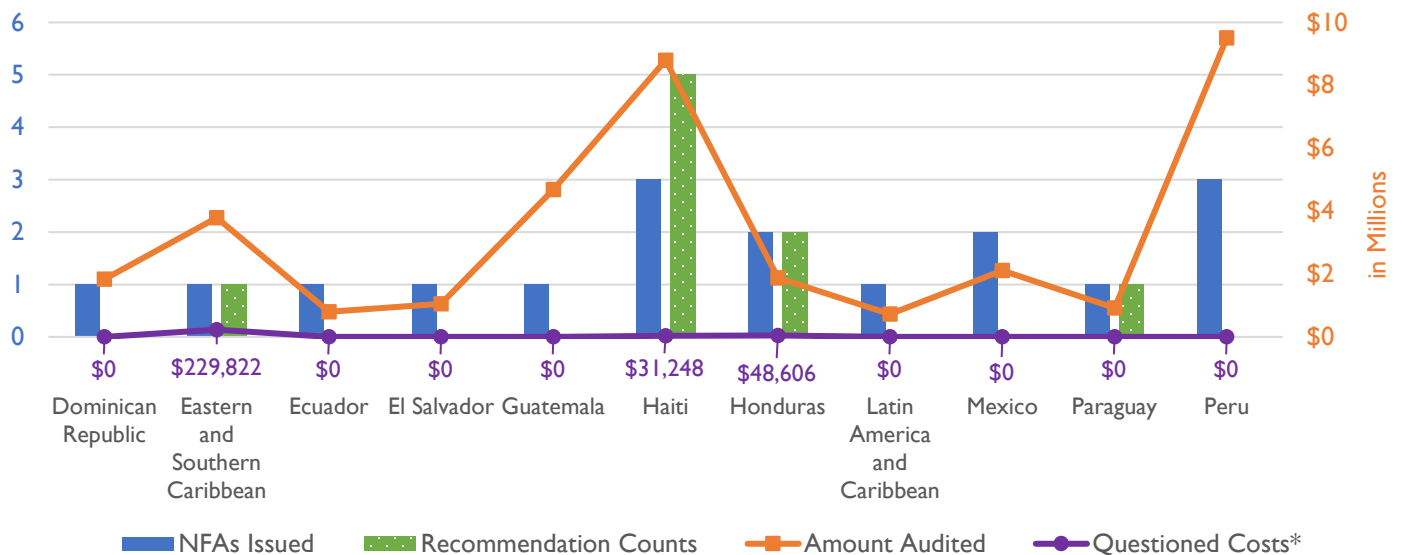
This **NFA Snapshot** highlights program data, audit findings, and recommendations in NFA reports transmitted by USAID OIG’s Latin America and Caribbean (LAC) Regional Office from July 1 to December 31, 2023.

### By the Numbers: NFA Reports, Findings, and Recommendations

	NFAs Issued	17		Questioned Costs Of Which Sustained (97%)	\$309,676 \$300,784
	Amount Audited	\$36,094,551		Recommendations Issued	9
	Findings: Material Weaknesses in Internal Control	9		Findings: Compliance	8

- The most common programmatic areas covered by NFA reports reviewed during the period were democracy and governance (24 percent), environment (19 percent), and HIV/AIDS (14 percent). Other programs covered related to COVID-19 response, economic growth and trade, and other areas.
- About half of audited expenditures pertained to USAID programs in Peru and Haiti. The other half concerned seven other USAID country missions and two bilateral programs.
- USAID’s Eastern and Southern Caribbean Regional Mission sustained approximately \$230,000 in questioned costs stemming from duplication in the reimbursement of three invoices and subsequent overpayment to the government of Barbados. Additionally, USAID/Haiti and USAID/Honduras sustained \$23,401 and \$47,561, respectively, in questioned costs. As a result, 97 percent of total questioned costs this period were sustained.

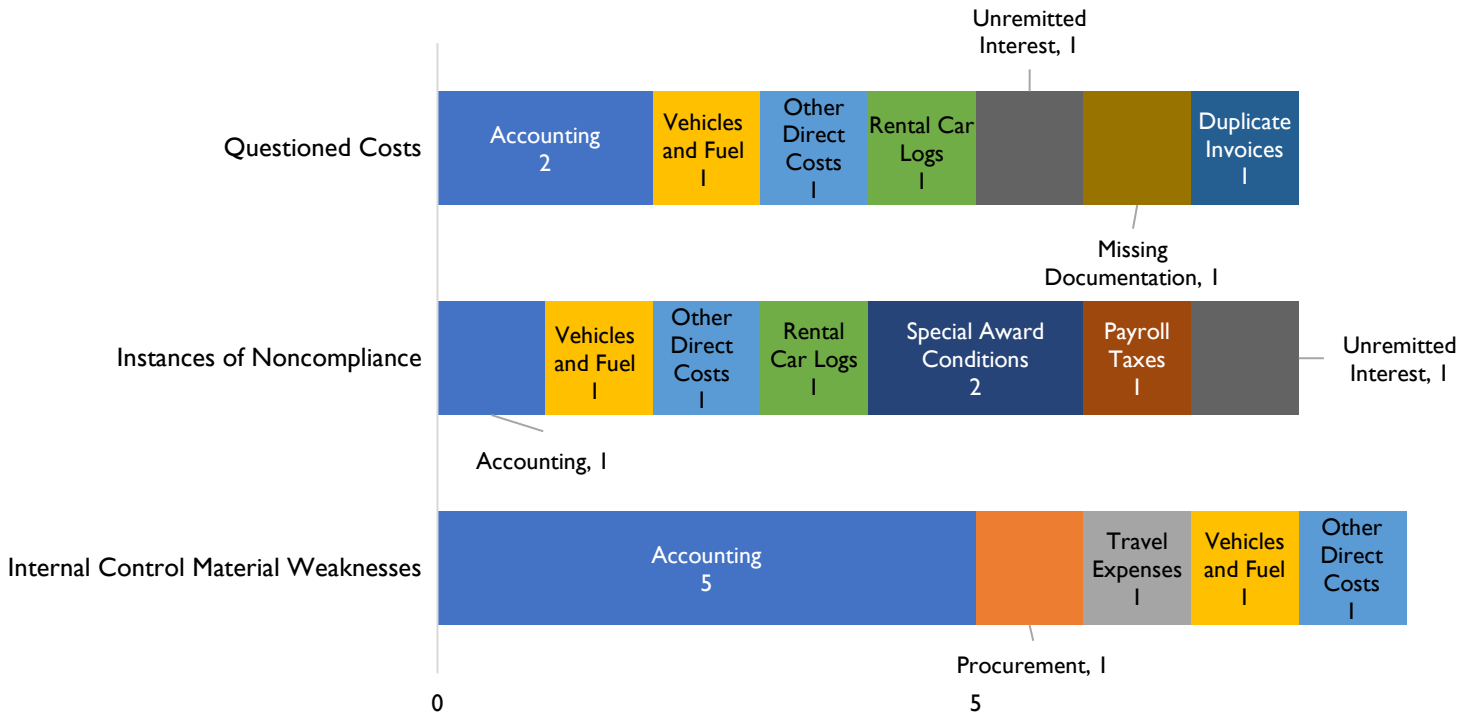
### NFA Activity by Cognizant Mission



\*Note: Questioned Costs amounts are as shown in thousands.

### Drill Down: NFA Findings Detail

NFA report findings and recommendations address breakdowns in internal control and compliance with laws, regulations, and award terms. Accounting errors, misuse of vehicles and fuel, and not remitting interest earned on program funds back to USAID are examples of findings included in the LAC NFA reports issued during this period.



### By the Numbers: OIG Desk Reviews

	NFAs Reviewed	17		Independent Public Accounting Firms that Performed NFAs	13
	NFA Reports Rejected and Returned to USAID	0		Supplementary “Memos of Review Comment” Issued	1

- USAID OIG reviews NFA reports for key attributes including adherence to professional standards, completeness, and compliance with required formats. OIG rejects noncompliant reports and returns them to USAID for consideration prior to acceptance.
- All NFA reports that the LAC Regional Office issued between July and December 2023 did not comply with updated Statement on Auditing Standards (SAS) 134 requirements, which would typically warrant rejection. USAID OIG brought the matter to USAID’s attention and agreed to pause rejections for this reason while USAID updated guidance. USAID updated ADS mandatory reference 591 maa in June 2024.
- Supplementary Memos of Review Comment (MRCs) describe nonmaterial errors for the auditors to correct in future NFA reports. The MRC issued this period noted that the auditors did not properly develop criteria, condition, cause, effect, and recommendation for an identified significant deficiency.

USAID OIG’s LAC Regional Office provides independent audit oversight of USAID operations and programming in 29 countries across Latin America and the Caribbean from its office in San Salvador, El Salvador.

We conducted this work under the Council of the Inspectors General for Integrity and Efficiency’s Quality Standards for Federal Offices of Inspector General.