



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: November 15, 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 the year
ended June 30, 2023 (3-000-25-014-T)

This memorandum transmits the final audit report on the Single Audit of International Medical Corps (IMC) Financial Statements for the year ended June 30, 2023. 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 conducted the audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). 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) obtain reasonable assurance about whether IMC's financial statements as a whole are free from material misstatement, whether due to fraud or error; (2) obtain reasonable assurance about whether material noncompliance with the compliance requirements occurred, whether due to fraud or error; (3) express an opinion on internal control over 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. To answer the audit objectives, KPMG: (1) identified and assessed the risks 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.

material misstatement of the financial statement, whether due to fraud or error, and designed and performed audit procedures responsive to those risks; (2) identified and assessed the risks of material noncompliance, whether due to fraud or error, and designed and performed audit procedures responsive to those risks; and (3) obtained an understanding of the IMC's internal control over compliance. IMC's audited expenditures of Federal awards was \$166,882,020, of which the U.S. Agency for International Development's (USAID) audited expenditures amounted to \$150,458,758.

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, 2023, and the changes in its net assets and its cash flows in accordance with U.S. generally accepted accounting principle. Further, KPMG reported that did not identify any deficiencies in internal control over financial reporting and over major programs 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, 2023. KPMG did not identify any questioned costs relating to Federal awards. Finally, KPMG issued 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.