



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: October 30, 2024

TO: USAID/Bosnia and Herzegovina, Mission Director, Emily Kronic

FROM: Middle East and Eastern Europe Regional Office, Acting Audit Assistant Director, David J. Clark./s/

SUBJECT: Audit of the Schedule of Expenditures of Center for Media Development and Analysis Under Multiple Awards in Bosnia and Herzegovina, January 1 to December 31, 2023 (8-168-25-002-R)

This memorandum transmits the final audit report on the Center for Media Development and Analysis (CRMA) incurred costs under the following awards:

Award Name (Type)	Award Number	Period	Sub-implementer
Investigative Journalism Program (grant)	72016819GR00002	January 1 to December 31, 2023	n/a
Assistance to Citizens in Fight against Corruption (grant)	ACFC 02/19	January 1 to December 31, 2023	Center for Media Development and Analysis
Support production of multimedia outputs (subgrant) (closeout)	SG-SR-BA21UFP-133-01 m00	January 1 to February 6, 2023	Center for Media Development and Analysis
Support use of Smartocto analytics (subgrant) (closeout)	SG-SR-BA21UFP-133-10 m00	January 1 to September 27, 2023	Center for Media Development and Analysis
Raising public awareness regarding foreign malign influence and countering disinformation ¹ (grant)	2022-0323	January 1 to December 31, 2023	n/a

¹ Grant funded by National Endowment for Democracy, not USAID.

Award Name (Type)	Award Number	Period	Sub-implementer
Production of investigative reports on corruption in Bosnia and Herzegovina (subgrant) (closeout)	SGR-IN-BA2IUFP-133-104 m00	January 1 to December 31, 2023	Center for Media Development and Analysis
Strengthen internal organizational capacities for multimedia production and grow audience through diversification of media production portfolio in Bosnia and Herzegovina (subgrant)	SGR-IN-BA2IUFP-133-111 m00	June 1 to December 31, 2023	Center for Media Development and Analysis
Conducting a multimedia presentation of public tenders in Bosnia and Herzegovina (subgrant) (closeout)	SG-SR- BA2IUFP-133-24 m00	April 1 to October 19, 2023	Center for Media Development and Analysis
Procurement of necessary software licenses (subgrant) (closeout)	SG-SR- BA2IUFP-133-29 m00	March 22 to March 31, 2023	Center for Media Development and Analysis
Conducting a support of journalists (subgrant) (closeout)	SG-SR- BA2IUFP-133-46 m00	July 15 to September 27, 2023	Center for Media Development and Analysis
Creating content regarding issues in local communities in Bosnia and Herzegovina (subgrant)	SG-SR-BA2IUFP-133-51 m00	September 1 to December 31, 2023	Center for Media Development and Analysis
Development of mobile app and Viber community (subgrant)	SG-SR-BA2IUFP-133-61 m01	September 1 to December 31, 2023	Center for Media Development and Analysis

The auditee contracted with the independent audit firm BDO BH d.o.o. to conduct the audit. The audit firm stated it performed its audit in accordance with U.S. government auditing standards. However, it did not have external quality control review or continuing education programs that fully satisfies the standards' requirements. The audit firm explained that professional organizations in Bosnia and Herzegovina do not offer external quality control review programs. With respect to the continuing professional education program, the audit

firm said that they could not fully comply with the U.S. government auditing related hours. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on the auditee's schedule of expenditures; the effectiveness of its internal controls; or its compliance with the awards, laws, and regulations.²

The audit objectives were to (1) express an opinion on whether the schedule of expenditures for the period audited was presented fairly, in all material respects; (2) evaluate the auditee's internal controls; and (3) determine whether the auditee complied with the awards terms and applicable laws and regulations. To answer the audit objectives, the audit firm performed the subject financial audit covering the period from January 1 to December 31, 2023. The audit report covered \$1,229,512 out of which \$1,169,092 represent USAID expenditures.

The audit firm expressed an unmodified opinion on the schedule of expenditures and did not identify any questioned cost. The audit firm did not identify any material weaknesses in the internal control or any material instances of noncompliance with the awards terms and applicable laws and regulations.

The report does not include any recommendations for your action.

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.³

² 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.

³ 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.