



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: November 20, 2024

TO: Sheree F. Marshall
Supervisory Auditor
USAID/Bureau for 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 Consortium for Elections and Political Process Strengthening for the Year Ended September 30, 2022 (3-000-25-017-T)

This memorandum transmits the final audit report on the single audit of Consortium for Elections and Political Process Strengthening (CEPPS) for the year ended September 30, 2022. The audit report was obtained from the Federal Audit Clearinghouse. CEPPS contracted with the independent audit firm RSM US LLP (RSM) to conduct the audit. RSM stated that it performed its audit in accordance with U.S. Government auditing standards issued by the Comptroller General of the United States and in accordance with Title 2 Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. RSM is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on CEPPS's schedule of expenditures of Federal awards; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.¹

RSM's audit objectives were to: (1) audit CEPPS's accompanying financial statements comprising the balance sheets as of September 30, 2022 and 2021, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements; (2) obtain reasonable assurance about whether CEPPS's financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes RSM's opinion; (3) consider CEPPS's internal control over financial reporting as a

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.

basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements; (4) obtain reasonable assurance about whether material noncompliance with the compliance requirements identified as subject to audit in the Office of Management and Budget (OMB) Compliance Supplement occurred, whether due to fraud or error, and express an opinion on CEPPS's compliance based on RSM's audit; and (5) audit CEPPS's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the CEPPS's major federal programs for the year ended September 30, 2022. To answer the audit objectives, RSM: (1) exercised professional judgment and maintained professional skepticism throughout the audit; (2) identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements; (3) obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CEPPS's internal control; (4) evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by CEPPS, and evaluated the overall presentation of the consolidated financial statements; and (5) concluded whether, in its judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CEPPS's ability to continue as a going concern for a reasonable period of time. RSM audited the U.S. Agency for International Development's (USAID) awards expenditures of \$160,783,092.

RSM expressed an unmodified opinion on the financial statements and on compliance for major programs. Further, RSM reported that it did not find any deficiencies in internal control it considered to be material weaknesses or significant deficiencies in internal control over financial reporting and on internal control over major programs. Finally, RSM did not identify any audit findings required to be reported in accordance with 2 CFR 200.516(a) and did not identify any questioned costs in its Federal awards audit for CEPPS.

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.