



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** December 16, 2024

**TO:** Sheree F. Marshall  
Supervisory Auditor  
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 Pathfinder International and Subsidiaries for the Year Ended June 30, 2022 (3-000-25-018-T)

This memorandum transmits the final audit report on the single audit of Pathfinder International and Subsidiaries (Pathfinder) for the Year Ended June 30, 2022. The audit report was obtained from the Federal Audit Clearinghouse. Pathfinder contracted with the independent accounting firm RSM US LLP (RSM) to conduct the audit. RSM stated that it performed its audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the financial audits contained in Government Auditing Standards issued by the Comptroller of the United States (Government Auditing Standards). RSM is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Pathfinder's schedule of expenditures of Federal awards; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.<sup>1</sup>

RSM's audit objectives were to: (1) obtain reasonable assurance about whether Pathfinder's combined 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; (2) consider Pathfinder's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the consolidated financial statements; and, (3) express an opinion on compliance for each major federal program and report on internal control over compliance with the types of compliance requirements described in the Office of Management and Budget Compliance Supplement that could have a direct and material effect on each of Pathfinder's major Federal programs for the

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<sup>1</sup> 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.

year ended June 30, 2022. To answer the audit objectives, RSM: (1) identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, and designed and performed audit procedures responsive to those risks; and 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; (2) considered Pathfinder's internal control over financial reporting (3)obtained an understanding of the organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance. Pathfinder's audited expenditures of Federal awards was \$68,718,738, of which the U.S. Agency for International Development's (USAID) audited expenditures amounted to \$68,718,738.

RSM expressed an unmodified opinion on the financial statements and on compliance for major programs. RSM reported that it did not find any material weaknesses or significant deficiencies in internal control over financial reporting nor in internal control over major federal programs. 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 Pathfinder.

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.<sup>2</sup>

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<sup>2</sup> 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](mailto:oignotice_ndaa5274@usaid.gov).