



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** January 12, 2025

**TO:** USAID/Armenia Mission Director, John Allelo

**FROM:** Middle East and Eastern Europe Regional Office, Audit Director, Louis Duncan, Jr. /s/

**SUBJECT:** Audit of the Schedule of Expenditures of International Center for Agribusiness Research and Education, Innovative Agriculture Training and Learning Camp Program in Armenia, Cooperative Agreement 72011120CA00001, January 1 to December 31, 2023 (8-111-25-008-R)

This memorandum transmits the final audit report on the schedule of expenditures of International Center for Agribusiness Research and Education, Innovative Agriculture Training and Learning Camp program in Armenia, cooperative agreement 72011120CA00001, from January 1 to December 31, 2023. International Center for Agribusiness Research and Education contracted the independent audit firm Baker Tilly Armenia CJSC to conduct the audit. The audit firm stated that it performed its audit in accordance with U.S. Generally Accepted Government Auditing Standards and USAID Financial Audit Guide for foreign organizations. However, it did not have a fully satisfactory continuing professional education program and an external quality control review program by an unaffiliated audit organization since no such program is offered by professional organizations in Armenia. 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 award terms, laws, and regulations.<sup>1</sup>

The audit objectives were mainly 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 award terms and applicable laws and regulations. To answer the audit objectives, the audit firm

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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.

performed the subject financial audit that covered \$952,653, from January 1 to December 31, 2023.

The audit firm concluded the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. The audit firm did not identify any questioned costs, any material weaknesses in internal control, or any instances of material noncompliance.

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.<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)