



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** February 19, 2025

**TO:** USAID/Southern Africa, Regional Mission Director, Leslie Marbury

**FROM:** USAID OIG Africa Regional Office, Audit Director, Ryan Werner /s/

**SUBJECT:** Financial Audit of USAID Resources Managed by Cabrini Ministries in Eswatini Under Cooperative Agreement 72067422CA00001, January 1 to December 31, 2023 (Report No. 4-674-25-064-R)

This memorandum transmits the final audit report on USAID resources managed by Cabrini Ministries to Reduce Vulnerability in Orphans and Vulnerable Children and Adolescent Girls and Young Women to prevent new HIV infections. Cabrini Ministries contracted with the independent audit firm PricewaterhouseCoopers LLP (PwC), Mbabane, Eswatini to conduct the audit. The audit firm stated that it performed its audit in accordance with International Standards on Auditing (ISAs) and with U.S. Government Auditing Standards. However, it did not have an external peer review or a continuing professional education program that fully satisfy the standards' requirements. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Cabrini Ministries' schedule of expenditures of USAID awards; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.<sup>1</sup>

The audit objectives were to (1) express an opinion on whether the schedule of expenditures of USAID awards for the period audited, was presented fairly, in all material respects; (2) evaluate Cabrini Ministries' internal controls; (3) determine whether Cabrini Ministries complied with award terms and applicable laws and regulations; and (4) review the status of prior audit recommendations.

To answer the audit objectives, PwC (1) audited the schedule of expenditures of USAID awards including budgeted amounts by category and major items and the revenues received from USAID for the period covered by the audit and the costs reported by Cabrini Ministries as

---

<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.

incurred from January 1 to December 31, 2023; (2) evaluated the control environment, the adequacy of the account systems, and control procedures that pertain to Cabrini Ministries' ability to report financial data consistent with the assertions embodied in each account of the schedule of expenditures of USAID awards; (3) identified the award terms and pertinent laws and regulations and determine which of those, if not observed, could have a direct and material effect on the schedule of expenditures of USAID awards; and (4) reviewed the implementation status of the prior period recommendations. Cabrini Ministries reported expenditures of \$1,528,325 in USAID funds during the audited period.

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 identified \$25,847 in ineligible questioned costs; no material weaknesses in internal control; and no instances of material noncompliance. In addition, although we are not making a recommendation for the significant deficiency noted in the report, we suggest that USAID/Southern Africa determine if the recipient addressed the issue noted. The audit firm also issued a management letter.

During our desk review, we noted an area for improvement which the audit firm should address in future audit reports. We presented these areas in a memo to the controller, dated February 19, 2025.

To address the issues identified in the report, we recommend that USAID/Southern Africa:

**Recommendation I.** Determine the allowability of \$25,847 in ineligible questioned costs on page 20 of the audit report and recover any amount that is unallowable.

We ask that you provide written notification of actions planned or taken to reach management decision.

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>

---

<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 [oinotice\\_ndaa5274@usaid.gov](mailto:oinotice_ndaa5274@usaid.gov).