



Non-Federal Audit Snapshot







USAID OIG Africa Regional Office

Covering July – December 2024
Report No. 4-000-25-001-A

USAID’s **non-Federal audit (NFA)** program helps ensure that contracts, cooperative agreements, and other foreign assistance awards meet Federal requirements. NFAs—financial audits typically performed by independent public accounting firms—help safeguard taxpayer dollars. USAID OIG reviews the NFA reports for compliance with government auditing reporting standards and transmits the reports and recommendations to USAID. Learn more in the [NFA Primer](#).

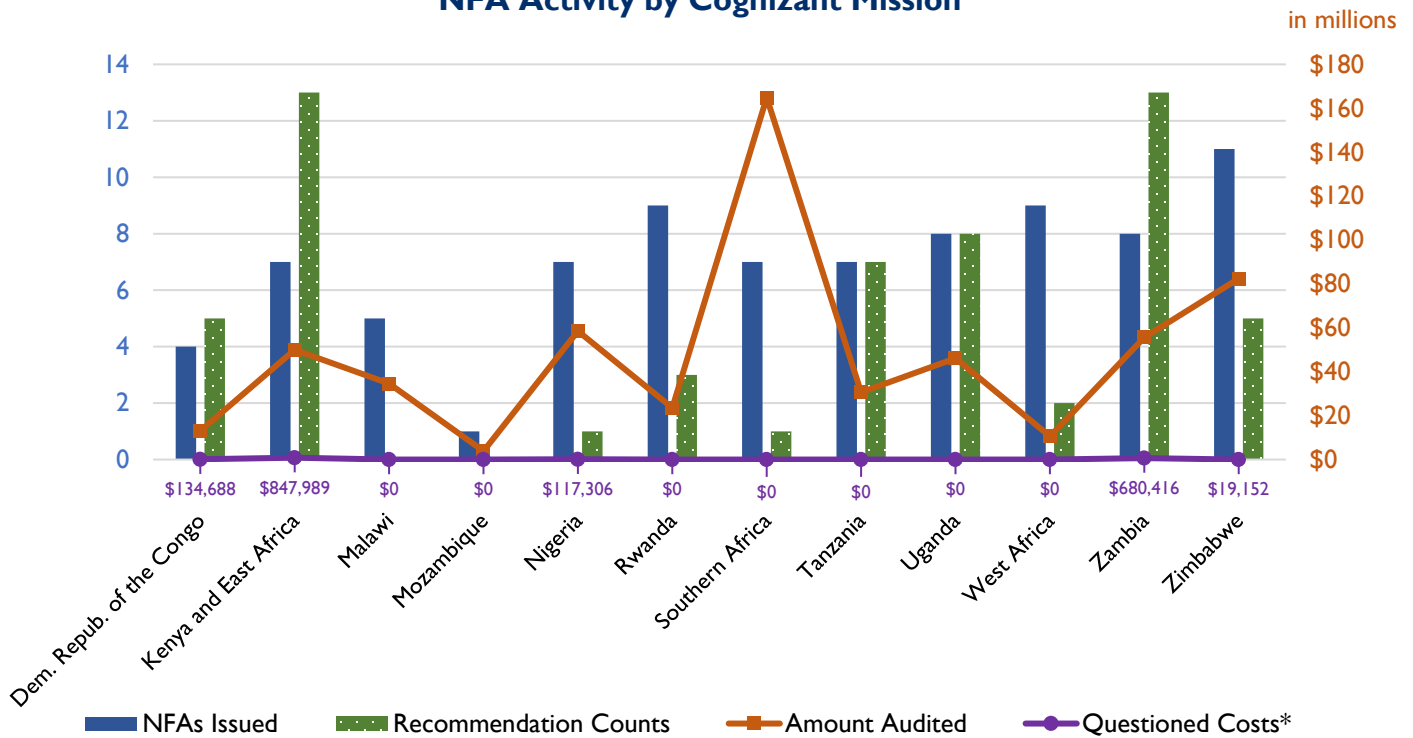
This **NFA Snapshot** highlights program data, audit findings, and recommendations in NFA reports transmitted by USAID OIG’s Africa Regional Office from July 1 to December 31, 2024.

By the Numbers: NFA Reports, Findings, and Recommendations

	NFAs Issued	83		Questioned Costs	\$1,799,551
	Amount Audited	\$573,760,195		Recommendations Issued	58
	Findings: Material Weaknesses in Internal Control	49		Findings: Compliance	99

- Audited expenditures pertained to USAID programs through nine USAID country missions and the regional missions for Kenya and East Africa (attributed mostly to Kenya programs), Southern Africa (attributed mostly to South Africa programs), and West Africa.

NFA Activity by Cognizant Mission



Source: OIG-generated chart.

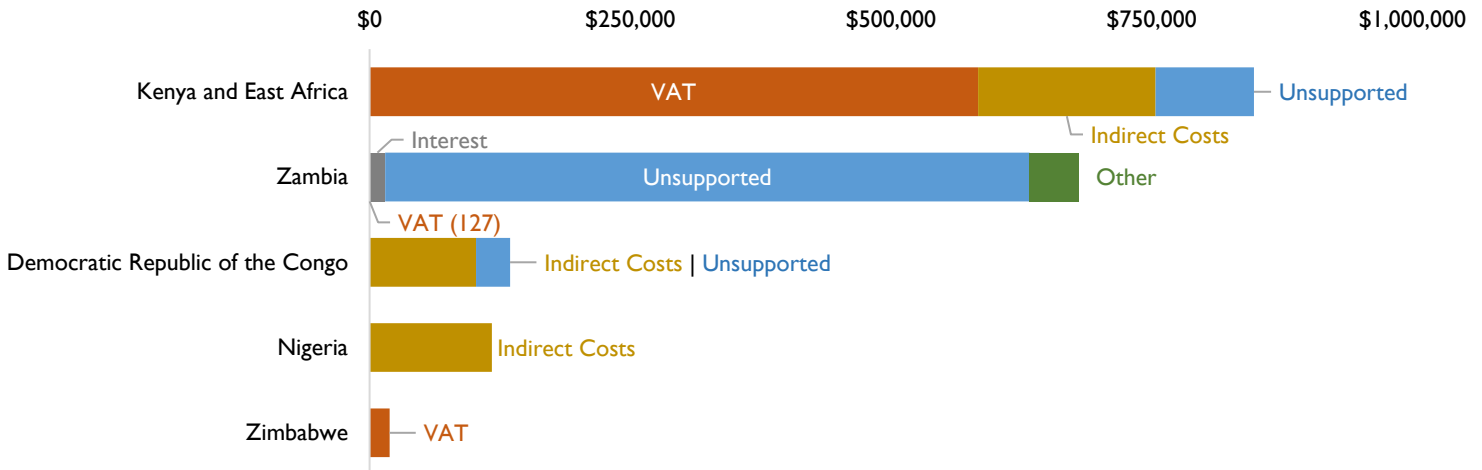
* Questioned Costs amounts are shown in thousands.

Drill Down: NFA Questioned Costs

Questioned costs identified in these NFA reports mostly related to Value Added Tax (VAT) noncompliance, overcharge of indirect costs, unremitted interest, and unsupported costs. Forty-one percent of the total questioned costs were unsupported costs.




Of note, 38 percent of the total questioned costs were attributed to USAID-funded foreign government projects.

Nature of Questioned Costs





Source: OIG-generated chart.

By the Numbers: OIG Desk Reviews

 <p>Independent Public Accounting Firms That Performed NFAs 52</p>	 <p>NFA Reports Rejected and Returned to USAID 0</p>	 <p>Supplementary “Memos of Review Comment” Issued 60</p>
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- USAID OIG reviews NFA reports for key attributes including adherence to professional standards, completeness, and compliance with required formats. OIG rejects noncompliant reports and returns them to USAID for consideration prior to acceptance.
- Ten of the 83 Africa Regional Office NFA reports issued during this period did not comply with updated Statement on Auditing Standards 134 requirements, which would typically warrant rejection. USAID OIG brought the matter to USAID’s attention and agreed to pause such rejections while the Agency updated its guidance.
- Supplementary Memos of Review Comment (MRCs) describe nonmaterial errors for the auditors to correct in future NFA reports. The MRCs issued this period mostly noted that the auditors (1) did not report on generally accepted government auditing standards departures, (2) used outdated criteria, (3) did not indicate the exchange rates used to convert from local currencies to U.S. dollars, and (4) classified findings inconsistently throughout audit report and management letters issued.

By the Numbers: Future OIG Desk Reviews

 <p>Audit Reports Overdue on December 31, 2024 17</p>	 <p>Planned Audit Reports to Receive up Until the End of June 2025 72</p>
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USAID OIG’s Africa Regional Office provides independent audit oversight of USAID programs across 50 countries in sub-Saharan Africa from its offices in Pretoria, South Africa, and Dakar, Senegal.

We conducted this work under the Council of the Inspectors General for Integrity and Efficiency’s *Quality Standards for Federal Offices of Inspector General*.