



## MEMORANDUM

**DATE:** September 27, 2018

**TO:** USAID/Management/Office of Acquisition and Assistance/Cost Audit and Support Division, Branch Chief, David A. McNeil

**FROM:** Director of External Financial Audits, Abdoulaye Gueye /s/

**SUBJECT:** Review of the Adequacy of the Incurred Cost Proposal for CDM Constructors, Inc. for Fiscal Year 2015 Report No. 3-000-18-002-D

This memorandum transmits the review on the adequacy of the incurred cost proposal for CDM Constructors, Inc. (CCI) for fiscal year (FY) 2015. The U.S. Agency for International Development (USAID) Office of Acquisition and Assistance, Cost, Audit, and Support Division contracted with the Defense Department's Contract Audit Agency (DCAA) to conduct the review.

DCAA did not perform this review in accordance with generally accepted government auditing standards and as such, this review does not constitute an audit or attestation engagement. DCAA is responsible for the enclosed memorandum and the conclusions expressed in it. We do not express an opinion on DCAA's review of the adequacy of CCI's incurred cost proposal for FY 2015.<sup>1</sup>

DCAA reviewed CCI's incurred cost proposal dated July 22, 2016, to determine if the proposal was adequate in accordance with the requirements in FAR 52.216-7, Allowable Cost and Payment.

DCAA stated that CCI's incurred cost proposal dated July 22, 2016 was adequate in accordance with the requirements in FAR 52.216-7 Allowable Cost and Payment.

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).

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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.

If you have any questions related to this report, please contact Steve Shea, Assistant Director at (202) 712-1386 or [sshea@usaid.gov](mailto:sshea@usaid.gov).

Attachment: As stated

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