



MEMORANDUM

DATE: September 10, 2020

TO: USAID/M/OAA/CAS/CAM, Supervisory Auditor, Eleanor C. Jefferson

FROM: USAID OIG Africa Regional Office, Assistant Director, Matthew Rathgeber /s/

SUBJECT: Financial Audit of USAID Resources Managed by Première Urgence Internationale in Multiple Countries Under Multiple Awards, January 1 to December 31, 2018 (Report No. 4-000-20-107-R)

This memorandum transmits the final audit report on USAID resources managed by Première Urgence Internationale under multiple awards listed in the attached Appendix I. Première Urgence Internationale contracted with the independent certified public accounting firm Gelman, Rosenberg & Freedman (GRF), Bethesda, Maryland, to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards (GAGAS). The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Première Urgence Internationale's fund accountability statement; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

The audit objectives were to (1) express an opinion on whether the fund accountability statement for the period audited, was presented fairly, in all material respects; (2) evaluate Première Urgence Internationale's internal controls; (3) determine whether Première Urgence Internationale complied with award terms and applicable laws and regulations.

To answer the audit objectives, GRF (1) audited the fund accountability statement for the award including the 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 Première Urgence Internationale as incurred from January 1 to December 31, 2018; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to Première Urgence Internationale's ability to report financial data consistent with the assertions embodied in each account of the fund accountability statement; (3) identified the award terms and pertinent laws and regulations and determined which of those, if not observed, could have

¹ 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.

a direct and material effect on the fund accountability statement. Première Urgence Internationale reported total audited expenditures of \$26,518,888 of which \$23,311,413 were expenditures of USAID funds during the audited period.

The audit firm concluded the fund accountability statement presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. The audit firm identified \$19,262 in total questioned costs (\$14,621 ineligible and \$4,641 unsupported); no material weaknesses in internal control; and two instances of material noncompliance. Since the questioned costs did not meet the OIG's established threshold of \$25,000 for making a recommendation, we are not making a recommendation. Nevertheless, we suggest that USAID/M/OAA/CAS/CAM determine the allowability of the \$19,262 in questioned costs and recover any amount determined to be unallowable. In addition, although we are not making a recommendation for significant deficiencies and other areas of concern noted in the report, we suggest that USAID/M/OAA/CAS/CAM determine if the recipient addressed the issues noted in the report.

During our desk review, we noted several issues which the audit firm will need to address in future audit reports. We presented these issues in a memo to the controller, dated September 10, 2020.

To address the issues identified in the report, we recommend that USAID/M/OAA/CAS/CAM:

Recommendation I. Verify that Première Urgence Internationale corrects the two instances of material noncompliance detailed on pages III-1 and III-2 of the audit report.

We ask that you provide your 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").

Appendix I – Award List

No	Award Description	Award Number	Audit Period
1.	Lifesaving Integrated Emergency Health, Nutrition, and WASH Response in the Conflict Areas of Afghanistan (grant)	720FDA18GR00278	Oct. 18 – Dec. 31, 2018
2.	Logistics Support in the Central African Republic Through the Reinforcement of Storage Capacities to Facilitate and Improve an Efficient and Quick Humanitarian Response (grant)	720FDA18GR00074	Jun. 1 – Dec. 31, 2018
3.	Health Support to Conflict-Affected Populations in Iraq (grant)	720FDA18GR00113	Jul.1 – Dec. 31, 2018
4.	Emergency Food Security Program in Nigeria (grant)	72DFFP18GR00059	May 1 – Dec. 31, 2018
5.	Humanitarian Assistance and Response to the Population Affected by the Conflict in Syria (cooperative agreement)	720FDA18CA00046	Oct. 1 – Dec. 31, 2018
6.	Life Saving Integrated Emergency, Health, Nutrition, WASH and Food Security Response in the Conflict-Affected Areas in Yemen (grant)	720FDA18GR00260	Sep. 1 – Dec. 31, 2018
7.	Implementation of the Neighborhood Approach for Vulnerable Populations in the Return Areas of Bangui, Central African Republic (grant) – closeout	AID-OFDA-G-17-00273	Jan. 1 – Jul 31, 2018
8.	Healthcare Provision for Crisis Affected Populations in Maiduguri, Nigeria (grant)	AID-OFDA-G-17-00027	Jan. 1 – Dec. 31, 2018
9.	Supporting Internally Displaced Persons and Vulnerable Host Communities to Improve Food Security and Nutrition Security in Yobe and Borno States, Nigeria (grant)- closeout	AID-FFP-G-17-00039	Jan. 1 – Apr. 30, 2018
10.	Field Oriented Community Operations of Syria (cooperative agreement) - closeout	AID-OFDA-A-17-00028	Jan. 1- Sep. 14, 2018
11.	Healthcare Provision to Conflict-Affected Populations in Iraq (grant) - closeout	AID-OFDA-G-16-00111	Jan. 1 – Jun. 30, 2018