



*Office of Inspector General*

## MEMORANDUM

**DATE:** October 1, 2018

**TO:** USAID/Armenia Mission Director, Deborah Grieser

**FROM:** Regional Inspector General/Frankfurt, James C. Charlifue /s/

**SUBJECT:** Fund Accountability Statement Audit of Eurasia Partnership Foundation, Under Multiple Awards in Yerevan Armenia, For the Year Ended December 31, 2017, (8-111-19-001-R)

This memorandum transmits the final report on the fund accountability statement audit of Eurasia Partnership Foundation under the following awards:

<b>Award Name (Type)</b>	<b>Award Number</b>	<b>Period</b>	<b>Subimplementer</b>
Civil Society Organization Development Program (Cooperative Agreement)	AID-111-A-14-00002	June 6, 2014- June 5, 2019	N/A
Civic Engagement in Local Governance (Sub-Grant Agreement)	AID-14-1001		Eurasia Partnership Foundation
Media for Informed Civic Engagement (Sub-Grant Agreement)	MICE/MIC-EPF-01		Eurasia Partnership Foundation

The auditee contracted with BDO Armenia to conduct the audit. The contract required the audit firm to perform the audit in accordance with generally accepted government auditing standards.

The audit firm stated that it performed the audit in accordance with generally accepted government auditing standards except that it did not have continuing education program and did not participate in an external quality control review program. The audit firm explained that professional organizations in Armenia do not offer such a review program.

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 fund accountability statement; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.<sup>1</sup>

The audit objectives were mainly to: (1) express an opinion on whether the fund accountability statement for the year ended December 31, 2017 was presented fairly, in all material respects; (2) evaluate the Eurasia Partnership Foundation's internal controls; and (3) determine whether the Eurasia Partnership Foundation complied with the contract terms and the applicable laws and regulations. To answer the audit objectives, the auditors performed the subject financial audit that covered \$779,014 for the year ended December 31, 2017.

The auditors expressed an unmodified opinion on the fund accountability statement and did not identify any questioned costs. The auditors did not identify any significant deficiencies or material weaknesses in internal control. The auditors did not identify any material instances of noncompliance with the award terms and applicable laws and regulations.

The report does not contain any recommendations for your action.

We appreciate the assistance extended to our staff and the audit firm's staff during the engagement.

The 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").

Enclosed: a/s

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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.