



MEMORANDUM

DATE: October 18, 2021

TO: USAID/West Africa, Regional Mission Director, Daniel Moore

FROM: USAID OIG Africa Regional Office, Audit Director, Robert Mason /s/

SUBJECT: Financial Audit of USAID Resources Managed by Nouvelle Pharmacie de la Santé Publique de Côte d'Ivoire Under Cooperative Agreement 72062418CA00005, August 17, 2018, to December 31, 2019 (Report No. 4-624-22-009-R)

This memorandum transmits the final audit report on USAID resources managed by Nouvelle Pharmacie de la Santé Publique de Côte d'Ivoire (NPSP-CI). NPSP-CI contracted with the independent certified public accounting firm KPMG, Abidjan, Côte d'Ivoire, 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 NPSP-CI'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 NPSP-CI's internal controls; and (3) determine whether NPSP-CI complied with award terms and applicable laws and regulations.

To answer the audit objectives, KPMG (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 NPSP-CI as incurred from August 17, 2018, to December 31, 2019; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to NPSP-CI's

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.

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 a direct and material effect on the fund accountability statement. NPSP-CI reported expenditures of \$1,790,946 in 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, except for \$15,456 in unsupported questioned costs. The audit firm reported two material weaknesses in internal control and one instance of material noncompliance. Since the questioned costs did not meet the OIG's established threshold of \$25,000 for making a recommendation and all the findings reported specifically relate to the questioned costs, we are not making a recommendation. Nevertheless, we suggest that USAID/West Africa determine the allowability of the \$15,456 in questioned costs and recover any amount determined to be unallowable. The audit firm also issued a management letter.

Accordingly, we are not making any recommendations.

During our desk review, we noted several minor issues which the audit firm will need to address in future audit reports. We presented these issues in a memo to the controller, dated October 18, 2021.

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").