



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** February 20, 2024

**TO:** USAID/Southern Africa, Regional Mission Director, Leslie Marbury

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

**SUBJECT:** Financial Audit of USAID Resources Managed by Ajuda de Desenvolvimento de Povo para Povo in Angola Under Multiple Awards, January 1 to December 31, 2022 (Report No. 4-654-24-069-R)

This memorandum transmits the final audit report on USAID resources managed by Ajuda de Desenvolvimento de Povo para Povo (ADPP Angola) under the following awards:

Award Name (Type)	Award Number	Audit Period	Prime Implementer
W-GDP, Women in Angolan Farming (cooperative agreement)	72065420CA0000I	Jan. 1 – Dec. 31, 2022	
SMS, Strengthening Municipal Education Systems to Ensure Quality Education for All Children (cooperative agreement)	72065421CA0000I	Jan. 1 – Dec. 31, 2022	
CAP, Communities in Action for Peace and Inclusion Project (fixed amount)	72065421FA0000I	Jan. 1 – Dec. 31, 2022	
SCVA, Strengthening the COVID-19 Vaccination Campaign in Rural and Peri-Urban Areas in Angola (fixed amount)	72065422 FA0000I	Jul. 1 – Dec. 31, 2022	
M2M, Index Case Testing and Treatment Linkage (subaward)	72067418CA00004	Jan. 1 – Jul. 31, 2022	Mothers2mothers
CSOSI, Civil Society Organization Sustainability Index Angola (subaward)	AID-OAA-LA-17-00003	Jan. 1 – Dec. 31, 2022	Family Health International

ADPP Angola contracted with the independent audit firm Deloitte, Maputo, Mozambique to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards. However, it did not have an external peer review or a continuing professional education program that fully satisfy the standards' requirements. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on ADPP Angola's schedule of expenditures of USAID awards; the

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

The audit objectives were to (1) express an opinion on whether the schedule of expenditures of USAID awards for the period audited, was presented fairly, in all material respects; (2) evaluate ADPP Angola's internal controls; (3) determine whether ADPP Angola complied with award terms and applicable laws and regulations; and (4) review the implementation status of the prior period recommendations.

To answer the audit objectives, Deloitte (1) audited the schedule of expenditures of USAID awards 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 ADPP Angola as incurred from January 1 to December 31, 2022; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to ADPP Angola's ability to report financial data consistent with the assertions embodied in each account of the schedule of expenditures of USAID awards; (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 schedule of expenditures of USAID awards; and (4) reviewed the implementation status of the prior period recommendations. ADPP Angola reported expenditures of \$2,038,248 in USAID funds during the audited period.

The audit firm concluded the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. The audit firm identified no questioned costs; no material weaknesses in internal control; and no instances of material noncompliance. The audit firm issued a management letter.

Accordingly, we are not making any recommendations.

During our desk review, we noted an area for improvement which the audit firm should address in future audit reports. We presented this area in a memo to the controller, dated February 20, 2024.

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"). In addition, USAID OIG has determined that this transmittal memo and the enclosed report are not subject to notification and reporting requirements under Section 5274 of the National Defense Authorization Act.<sup>2</sup>

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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.

<sup>2</sup> The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 Pub. L. No. 117-263, § 5274. Please direct related inquiries to [oignotice\\_ndaa5274@usaid.gov](mailto:oignotice_ndaa5274@usaid.gov).