



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

MEMORANDUM

DATE: February 15, 2023

TO: USAID/Iraq Mission Director, Elise Jensen

FROM: USAID OIG Middle East and Eastern Europe (ME/EE) Regional Office,
Assistant Audit Director, David Clark /s/

SUBJECT: Independent Audit Report on Costs Incurred and Billed by DAI Global, LLC
Under USAID/Iraq Contract AID-267-H-17-00001, October 1, 2019, to
September 30, 2020 (8-267-23-006-D)

This memorandum transmits the final audit report on costs incurred and billed by DAI Global, LLC under USAID/Iraq contract AID-267-H-17-00001, from October 1, 2019, to September 30, 2020. USAID/Iraq contracted with Defense Contract Audit Agency (DCAA) to conduct the audit. DCAA stated that it performed its audit in accordance with Generally Accepted Government Auditing Standards. DCAA is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on the auditee's summary of cost incurred and billed or its compliance with the award, laws, and regulations.¹

The engagement objectives were mainly to determine if the costs incurred and billed under USAID/Iraq's contract are allowable, allocable, reasonable and comply with Federal Acquisition Regulations, (FAR), Agency for International Development Acquisition Regulation, (AIDAR), and Department of State Standardized Regulations, (DSSR). To answer the engagement objectives, DCAA performed the subject audit that covered \$29,962,220, in costs from October 1, 2019, to September 30, 2020.

DCAA did not identify any questioned costs. DCAA said that except for the effects of the scope limitations, if any, related to the lack of real-time testing of labor and inability to test

¹ We reviewed DCAA'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.

the reasonableness of labor performed in Iraq, the incurred and billed costs comply, in all material respects, with FAR, AIDAR, DSSR and contract terms. In addition, although we are not making a recommendation for significant deficiencies noted on page 18 of DCCA, we suggest that USAID/Iraq determine if the DAI Global, LLC addressed the issue noted.

The report does not contain any recommendations for your action.

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").