



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

MEMORANDUM

DATE: April 21, 2022

TO: USAID/Eastern and Southern Caribbean Regional Director, Clinton White

FROM: USAID OIG Latin America and Caribbean (LAC) Regional Office, Senior Auditor, John Vernon /s/

SUBJECT: Closeout Financial Audit of the Climate Change Adaptation Program Managed by the Caribbean Community Climate Change Centre in Eastern and Southern Caribbean, 538-IL-DO3-5C-2016-001, July 1, 2019, to December 31, 2020 (9-538-22-018-R)

This memorandum transmits the final audit report on USAID's Climate Change Adaptation Program. The Caribbean Community Climate Change Centre (CCCCC) contracted with the independent certified public accounting firm BDO S.R.L. Dominican Republic to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards, International Auditing Standards, and USAID Financial Audit Guide for Foreign Organizations. However, it did not have a continuing education program that fully complied with GAGAS requirements or an external peer review because such program is not offered in Dominican Republic. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on CCCCC'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 CCCCC's internal controls; (3) determine whether CCCCC complied with award terms and applicable laws and regulations; and (4) determine if CCCCC has taken adequate corrective action on prior audit recommendations. To answer the audit objectives, the audit firm reported that they assessed and tested the internal controls related to the project; assessed and tested

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.

compliance with applicable laws, regulations, the agreement's provisions; and reviewed project expenditures. The audit covered \$1,841,840 of USAID expenditures for 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 did not identify any material weaknesses in internal control or instances of material noncompliance with applicable laws, regulations, and agreement terms.

Additionally, the audit firm determined that the recipient has taken adequate corrective actions on prior audit report recommendations.

During our desk review, we noted several minor issues which the audit firm should consider when preparing future audit reports. We presented these issues in a memo to the controller, dated April 21, 2022.

Based on the results of the desk review, OIG is not making any recommendation to USAID/ Eastern and Southern Caribbean.

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").