

Independent Auditor's Report on the United States Agency for Global Media 2018 and 2017 Financial Statements AUD-FM-IB-19-06, November 2018

Summary of Review

An independent external auditor, working on behalf of and under the direction of the Office of Inspector General, audited the United States Agency for Global Media's (USAGM) annual financial statements as of, and for the years ended, September 30, 2018 and 2017. The auditor found that the consolidated financial statements present fairly, in all material respects, the financial position of USAGM as of September 30 for both 2018 and 2017, and its net cost of operations changes in net position, and budgetary resources for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The auditor found two significant deficiencies in internal control over financial reporting. Specifically, the auditor identified internal control issues with grantee monitoring and information technology. The auditor also identified one instance of substantial noncompliance with provisions of laws, regulations, contracts, and grant agreements regarding Federal grant regulations.