

SIGAR

**Special Inspector General for
Afghanistan Reconstruction**

SIGAR 22-38 Financial Audit

State's Access to Justice Through Legal Aid Program in Five Provinces of Afghanistan: Audit of Costs Incurred by International Legal Foundation

**In accordance with legal requirements, SIGAR has redacted certain information deemed
proprietary or otherwise sensitive from this report.**

SEPTEMBER
2022



SIGAR

Special Inspector General for Afghanistan Reconstruction

WHAT THE AUDIT REVIEWED

On September 25, 2017, the U.S. Department of State (State) awarded a \$1,350,000 grant agreement to International Legal Foundation (ILF) to improve access to justice by providing legal aid in five provinces of Afghanistan. Among other program goals, the agreement is to support strategic litigation and out-of-court advocacy to achieve systemic change and strengthen the rule of law. State modified the contract three times; the total award amount increased to \$5,350,000, and the period of performance was extended from September 25, 2019, to September 30, 2022.

SIGAR's financial audit, performed by Crowe LLP (Crowe), reviewed \$2,905,908 in costs charged to the agreement from September 25, 2017, through February 28, 2021. The objectives of the audit were to (1) identify and report on material weaknesses or significant deficiencies in ILF's internal controls related to the agreement; (2) identify and report on instances of material noncompliance with the terms of the agreement and applicable laws and regulations, including any potential fraud or abuse; (3) determine and report on whether ILF has taken corrective action on prior findings and recommendations; and (4) express an opinion on the fair presentation of ILF's Special Purpose Financial Statement (SPFS). See Crowe's report for the precise audit objectives.

In contracting with an independent audit firm and drawing from the results of the audit, auditing standards require SIGAR to review the work performed. Accordingly, SIGAR oversaw the audit and reviewed its results. SIGAR's review disclosed no instances wherein Crowe did not comply, in all material respects, with generally accepted government auditing standards issued by the Comptroller General of the United States.

September 2022

State's Access to Justice through Legal Aid Program in Five Provinces of Afghanistan: Audit of Costs Incurred by International Legal Foundation

SIGAR 22-38-FA

WHAT SIGAR FOUND

Crowe identified three significant deficiencies in ILF's internal controls and three instances of noncompliance with the terms of the agreement. For example, the auditors found that ILF was unable to provide documentation to support a sole source procurement for security consulting services. Furthermore, the auditors found that ILF incorrectly and inconsistently calculated and charged indirect costs. Moreover, the auditors determined that ILF did not perform a suspension and debarment check of all its sub-awardees, as required by the Code of Federal Regulations.

Because of the significant deficiencies in internal controls and instances of noncompliance, Crowe identified \$27,930 in total questioned costs, consisting of \$20,117 unsupported costs—costs not supported with adequate documentation or that do not have required prior approval—and \$7,813 ineligible costs—costs prohibited by the agreement and applicable laws and regulations.

Category	Ineligible	Unsupported	Total Questioned Costs
Contractual	\$0	\$20,117	\$7,813
Indirect Costs	\$7,813	\$0	\$20,117
Total Costs	\$7,813	\$20,117	\$27,930

Crowe identified two prior audit reports that were relevant to ILF's agreement. The reports did not have any findings that were direct and material to the SPFS and other financial data significant to this audit's objectives.

Crowe issued an unmodified opinion on ILF's SPFS, noting that it presents fairly, in all material respects, revenues received and costs incurred for the period audited.

WHAT SIGAR RECOMMENDS

Based on the results of the audit, SIGAR recommends that the responsible agreement officer at State:

1. Determine the allowability of and recover, as appropriate, \$27,930 in questioned costs identified in the report.
2. Advise ILF to address the report's three internal control findings.
3. Advise ILF to address the report's three noncompliance findings.



SIGAR

Office of the Special Inspector General
for Afghanistan Reconstruction

September 9, 2022

The Honorable Antony J. Blinken
Secretary of State

We contracted with Crowe LLP (Crowe) to audit the costs incurred by the International Legal Foundation (ILF) under a grant agreement from the U.S. Department of State (State) to improve access to justice by providing legal aid in five provinces of Afghanistan.¹ Among other program goals, the agreement is to support strategic litigation and out-of-court advocacy to achieve systemic change and strengthen the rule of law. Crowe reviewed \$2,905,908 in costs charged to the agreement from September 25, 2017, through February 28, 2021. Our contract with Crowe required that the audit be performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States.

Based on the results of the audit, SIGAR recommends that the responsible agreement officer at State:

- 1. Determine the allowability of and recover, as appropriate, \$27,930 in questioned costs identified in the report.**
- 2. Advise ILF to address the report's three internal control findings.**
- 3. Advise ILF to address the report's three noncompliance findings.**

Crowe discusses the results of the audit in detail in the attached report. We reviewed Crowe's report and related documentation. We also inquired about Crowe's conclusions in the report and the firm's compliance with applicable standards. Our review, as differentiated from an audit in accordance with U.S. generally accepted government auditing standards, was not intended to enable us to express, and we do not express, an opinion on ILF's Special Purpose Financial Statement, or conclusions about the effectiveness of internal control over financial reporting or on compliance with laws and other matters. Crowe is responsible for the attached auditor's report, dated April 29, 2022, and the conclusions expressed therein. However, our review disclosed no instances in which Crowe did not comply, in all material respects, with U.S. generally accepted government auditing standards issued by the Comptroller General of the United States.

Please provide documentation related to corrective actions taken and/or target dates for planned completion for the recommendations to sigar.pentagon.audits.mbx.recommendation-followup@mail.mil, within 60 days from the issue date of this report.

John F. Sopko
Special Inspector General
for Afghanistan Reconstruction

(F-221)

¹ The agreement number is S-INLEC17GR0166.



The International Legal Foundation

Project to Improve Access to Justice by Providing Access to Legal Aid in Nangarhar, Laghman, Kunar, Helmand, and Kandahar Provinces, and in the Justice Center in Parwan, Counter Narcotics Justice Center, and Anti-Corruption Justice Center, while assisting the Government of Afghanistan to Strengthen its Criminal Legal Aid System.

Grant Agreement No. S-INLEC17GR0166

Special Purpose Financial Statement

For the Period September 25, 2017 through February 28, 2021

(With Independent Auditor's Report Thereon)

Table of Contents

TRANSMITTAL LETTER	1
SUMMARY	2
INDEPENDENT AUDITOR'S REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENT	7
SPECIAL PURPOSE FINANCIAL STATEMENT	9
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT	10
NOTES TO THE QUESTIONED COSTS PURPOSE FINANCIAL STATEMENT	13
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL	14
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE	16
SECTION I: SCHEDULE OF FINDINGS AND QUESTIONED COSTS	18
SECTION II: SUMMARY SCHEDULE OF PRIOR AUDIT, REVIEW, AND ASSESSMENT FINDINGS....	22
APPENDIX A: VIEWS OF RESPONSIBLE OFFICIALS.....	23
APPENDIX B: AUDITOR'S REBUTTAL	27

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TRANSMITTAL LETTER

May 17, 2022

To the Board of Directors and Management of the International Legal Foundation
315 W. 39th Street, Suite 507
New York, NY 10018

To the Office of the Special Inspector General for Afghanistan Reconstruction
2530 Crystal Drive
Arlington, Virginia 22202

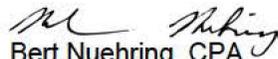
We appreciate the opportunity to provide to you our report regarding the procedures that we have completed during the course of our audit of the special purpose financial statement (“SPFS”) applicable to The International Legal Foundation’s (“ILF”) grant agreement number S-INLEC17GR0166, funded by the U.S., Department of State (“State”), to Improve Access to Justice by Providing Access to Legal Aid in Nangarhar, Laghman, Kunar, Helmand, and Kandahar Provinces, and in the Justice Center in Parwan, Counter Narcotics Justice Center, and Anti-Corruption Justice Center, while assisting the Government of Afghanistan to Strengthen its Criminal Legal Aid System, for the period September 25, 2017 through February 28, 2021.

Within the pages that follow we have provided a brief summary of the work performed. Following the summary, we have incorporated our report on the Special Purpose Financial Statement, our report on internal control and our report on compliance. We do not express an opinion on the summary or any information preceding our reports.

When preparing our report, we considered comments, feedback, and interpretations of ILF, State, and the Office of the Special Inspector General for Afghanistan Reconstruction (“SIGAR”) provided both in writing and orally throughout the audit planning and fieldwork phases. Management’s final written responses will be incorporated as Appendix A to the final report.

Thank you for providing us the opportunity to work with you and to conduct the financial audit of The International Legal Foundation’s grant agreement.

Sincerely,


Bert Nuehring, CPA
Partner
Crowe LLP

Summary

Background

On September 25, 2017, the U.S. Department of State (“State”) awarded grant number S-INLEC17GR0166 to the International Legal Foundation (“ILF”) funding a program to improve access to justice by providing legal aid in five provinces. The initial award amount was \$1,350,000 with a period of performance from September 25, 2017, through September 25, 2019. The overall goal of the award was to improve access to justice by providing access to legal aid in Helmand, Kandahar, Kunar, Laghman, and Nangarhar provinces. In addition, the award supports ILF in increasing their representation in the Parwan justice center, Counter Narcotics Justice Center, and Anti-Corruption Justice Center, while also supporting ILF-Afghanistan’s engagement in strategic litigation and out of court advocacy, in order to achieve systemic change and strengthen the rule of law.

After Three (3) modifications to the grant agreement, the total increased funding to \$5,350,000 and period of performance was extended from September 25, 2019 to September 30, 2022. The modifications are summarized below:

Modification No.	Highlights
1	<ul style="list-style-type: none"> Budget Realignment Extend the period of performance to September 30, 2019 Revise the Grants Officer
2	<ul style="list-style-type: none"> Extend the period of performance to September 30, 2022 Provide additional funding totaling \$4,000,000 Increase cost share total by \$25,200
3	<ul style="list-style-type: none"> Budget Realignment Revise the Grant Officer Representative

Our audit procedures included a review of total costs incurred of \$2,905,908, which includes a recipient cost share amount of \$91,677, reported by The International Legal Foundation for the period September 25, 2017, through February 28, 2021.

Work Performed

Crowe LLP (“Crowe”) was engaged by the Office of the Special Inspector General for Afghanistan Reconstruction (“SIGAR”) to conduct a financial audit of costs incurred under grant number S-INLEC17GR0166 by The International Legal Foundation to improve access to justice by providing access to legal aid and supporting ILF-Afghanistan’s engagement in strategic litigation and out of court advocacy, in order to achieve systemic change and strengthen the rule of law for the period September 25, 2017, through February 28, 2021.

(Continued)

Objectives Defined by SIGAR

The following audit objectives were defined within the *Performance Work Statement for Financial Audits of Costs Incurred by Organizations Contracted by the U.S. Government for Reconstruction Activities in Afghanistan*:

Audit Objective 1 – Special Purpose Financial Statement

Express an opinion on whether The International Legal Foundation's Special Purpose Financial Statement ("SPFS") for the grant agreement presents fairly, in all material respects, revenues earned, costs incurred, items directly procured by the U.S. Government, and balance for the period audited in conformity with the terms of the award and generally accepted accounting principles or other comprehensive basis of accounting.

Audit Objective 2 – Internal Controls

Evaluate and obtain an understand of The International Legal Foundation's internal control system related to the award, assess control risk, and identify and report on significant deficiencies, including material weakness in internal control.

Audit Objective 3 – Compliance

Determine whether The International Legal Foundation complied, in all material respects, with the award requirements and applicable laws and regulations.

Audit Objective 4 – Corrective Action on Prior Findings and Recommendations

Determine and report on whether The International Legal Foundation has taken adequate corrective action to address findings and recommendations from previous engagements that could have had a material effect on the Special Purpose Financial Statement or other financial data significant to the audit objectives.

Scope

The scope of the audit included total reported costs incurred of \$2,905,908, including a recipient cost share amount of \$91,677, during the period September 25, 2017, through February 28, 2021. The audit was limited to those matters and procedures pertinent to the grant agreement that could have a direct and material effect on the SPFS. The audit also included an evaluation of the presentation, content, and underlying records of the SPFS. Further, the audit included reviewing the financial records that support the SPFS to determine if there were material misstatements and if the SPFS was presented in the format required by SIGAR. In addition, the following areas were determined to be direct and material and, as a result, were included within the audit program for detailed evaluation:

- Allowable Activities;
- Allowable Costs;
- Cost-Sharing;
- Cash Management;
- Procurement; and
- Reporting.

Methodology

To meet the aforementioned objectives, Crowe completed a series of tests and procedures to audit the SPFS, tested compliance and considered the auditee's internal controls over compliance and financial reporting and determined if adequate corrective action was taken in response to prior audit, assessment, and review comments, as applicable.

To address Audit Objective 1, which pertains to The International Legal Foundation's SPFS, transactions were selected from the financial records underlying the SPFS and were tested to determine if the transactions were recorded accurately and were consistent with the terms and conditions of the award; were incurred within the period covered by the SPFS and in alignment with specified cutoff dates; were appropriately allocated to the award if the cost benefited multiple objectives; and were adequately supported.

In order to address Audit Objective 2, which relates to The International Legal Foundation's internal controls, Crowe requested, and the auditee provided, copies of policies and procedures to provide Crowe with an understanding of the system of internal control established by The International Legal Foundation during the period of performance. To the extent documented policies and procedures were unavailable, Crowe conducted interviews with management to obtain an understanding of the processes that were in place during the period of performance. The system of internal control is intended to provide reasonable assurance of achieving reliable financial reporting and compliance with applicable laws and regulations. Crowe corroborated internal controls identified by the auditee and conducted testing of select key controls to understand if they were implemented as designed.

Audit Objective 3 required that tests be performed to obtain an understanding of the auditee's compliance with requirements applicable to the award. Crowe identified – through review and evaluation of the grant agreement executed by and between State and The International Legal Foundation – the criteria against which to test the SPFS and supporting financial records and documentation. Using various sampling techniques, including, but not limited to, audit sampling guidance for compliance audits provided by the American Institute of Certified Public Accountants, Crowe selected transactions, cash requests, procurements, and reports for testing. Supporting documentation was provided by the auditee and subsequently evaluated to assess The International Legal Foundation's compliance. Testing of indirect costs was limited to determining whether indirect costs were calculated and charged to the U.S. Government in accordance with the applicable regulations and the grant agreement with State.

Regarding Audit Objective 4, Crowe inquired of The International Legal Foundation, SIGAR, and State personnel participating in the audit entrance conference to understand whether there were prior audits, reviews, or assessments that were pertinent to the audit scope. Crowe also conducted an independent search of publicly available information to identify audit and review reports. As a result of the aforementioned efforts, we identified two prior reports – none of which contained findings and recommendations.

Summary of Results

Upon completion of Crowe's procedures, Crowe identified three findings that met one or more of the following criteria: (1) significant deficiencies in internal control; (2) material weaknesses in internal control; (3) noncompliance with rules, laws, regulations, or the terms and conditions of the grant agreement; and/or (4) questioned costs resulting from identified instances of noncompliance.

Crowe issued an unmodified opinion on the SPFS.

(Continued)

Crowe also reported on both The International Legal Foundation's internal controls over financial reporting and compliance with applicable laws, rules, regulations, and the terms and conditions of the grant agreement. In total, three (3) significant deficiencies in internal control were reported. In addition, Crowe reported three (3) instances of noncompliance. In situations in which control and compliance findings pertained to the same matter, the findings were consolidated within a single finding.

We identified \$27,930 in total questioned costs. SIGAR requires that questioned costs be classified as either "ineligible" or "unsupported." SIGAR defines unsupported costs as those that are not supported with adequate documentation or did not have required prior approvals or authorizations. Ineligible costs are those that are explicitly questioned because they are unreasonable; prohibited by the audited agreement or applicable laws and regulations; or are unrelated to the award. Therefore, we concluded that \$7,813 questioned costs are classified as ineligible and \$20,117 as unsupported.

In performing our testing, we considered whether the information obtained during our testing resulted in either detected or suspected material fraud, waste, or abuse, which would be subject to reporting under Government Auditing Standards. Evidence of such items was not identified by our testing.

Crowe also requested from ILF, SIGAR, and State copies of prior audits, reviews, and evaluations pertinent to ILF's activities under the grant agreement. Crowe reviewed two (2) prior audit reports that may be direct and material to the Special Purpose Financial Statement or other financial information significant financial data to the audit objectives. We concluded that neither of the reports contained findings or recommendations.

The following summary is intended to present an overview of the audit results and is not intended to be a representation of the audit's results in their entirety.

Schedule of Findings and Questioned Costs

Finding No.	Finding Name	Classification	Questioned Costs (USD)
2021-01	Missing Sole Source Justification and Price Reasonableness Support	Significant Deficiency in Internal Control and Noncompliance	\$20,117
2021-02	Inconsistent and Incorrect Calculation of Indirect Costs	Significant Deficiency in Internal Control and Noncompliance	\$7,813
2021-03	Suspension/Debarment Check Not Performed Prior to Award	Significant Deficiency in Internal Control and Noncompliance	-
Total Questioned Costs:			\$27,930

Summary of Management Comments

ILF disagreed with two of the three audit findings. The following contains a summary of management's responses:

1. Finding 2021-01: ILF disagreed with the finding based on their belief that the sole source procurement was justified due to the extenuating circumstances surrounding the procurement.
2. Finding 2021-02: ILF disagreed with the finding based on their belief that undercharging for indirect costs in subsequent quarters corrected the overcharging of indirect costs in previous quarters.
3. Finding 2021-03: ILF agreed with the finding.

(Continued)

Reference to Appendices

The auditor's reports are supplemented by two appendices, **Appendix A**, which contain management's responses to the audit findings; and **Appendix B**, which contains the auditor's rebuttal.

INDEPENDENT AUDITOR'S REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENT

To the Board of Directors and Management of the International Legal Foundation
315 W. 39th Street, Suite 507
New York, NY 10018

To the Office of the Special Inspector General for Afghanistan Reconstruction
2530 Crystal Drive
Arlington, Virginia 22202

Report on the Special Purpose Financial Statement

We have audited the Special Purpose Financial Statement (the "Statement") of The International Legal Foundation ("ILF"), and related notes to the Statement, with respect to the program to improve access to justice by providing access to legal aid and supporting ILF-Afghanistan's engagement in strategic litigation and out of court advocacy, in order to achieve systemic change and strengthen the rule of law, funded by the U.S., Department of State ("State") grant agreement No. S-INLEC17GR0166 for the period September 25, 2017 through February 28, 2021.

Management's Responsibility for the Special Purpose Financial Statement

Management is responsible for the preparation and fair presentation of the Statement in accordance with the requirements specified by the Office of the Special Inspector General for Afghanistan Reconstruction ("SIGAR") and the terms and conditions of grant agreement number S-INLEC17GR0166. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a Statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Statement.

(Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Statement referred to above pertaining to grant agreement No. S-INLEC17GR0166 presents fairly, in all material respects, the revenues earned, costs incurred, and balance for the indicated period in accordance with the basis of presentation and accounting described in Notes 1 and 2.

Basis of Presentation and Accounting

We draw attention to Notes 1 and 2 to the Statement, which describe the basis of presentation and accounting. The Statement is prepared in the format required by SIGAR and presents those amounts as permitted under the terms of the State grant agreement No. S-INLEC17GR0166, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the financial reporting provisions of the grant agreement referred to above. Our opinion is not modified with respect to this matter.

Restriction on Use

This report is intended for the information of ILF, State, and SIGAR. Financial information in this report may be privileged. The restrictions of 18 U.S.C. 1905 should be considered before any information is released to the public.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated April 29, 2022, on our consideration of The International Legal Foundation's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The International Legal Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The International Legal Foundation's internal control over financial reporting and compliance.

Crowe LLP
Crowe LLP

April 29, 2022
Washington, D.C.

The International Legal Foundation
Special Purpose Financial Statement
Grant Agreement No. S-INLEC17GR0166
For the Period September 25, 2017, through February 28, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Questioned Costs</u>		<u>Notes</u>
			<u>Ineligible</u>	<u>Unsupported</u>	
Revenues					
Agreement Number SINLEC17GR0166 U.S. Share of Costs	\$ 5,350,000	\$ 2,814,231			
Total Revenue	<u>5,350,000</u>	<u>2,814,231</u>			4
Costs Incurred					
Personnel	3,255,646	2,056,763			5
Fringe Benefits	181,128	91,413			
Travel	248,504	77,564			
Equipment	-	-			
Supplies	103,093	72,839			
Contractual	634,230	127,184		20,117	A
Construction	-	-			
Other Direct Costs	461,096	152,843			
Indirect Costs	466,303	235,625	7,813		B
Total Costs Incurred	<u>5,350,000</u>	<u>2,814,231</u>			
Recipient Share of Costs	90,884	91,677			6
Balance		<u>\$ -</u>	<u>\$ 7,813</u>	<u>\$ 20,117</u>	7

The accompanying notes to the Special Purpose Financial Statement are an integral part of this Statement.

Note 1. Basis of Presentation

The accompanying Special Purpose Financial Statement (the "Statement") includes costs incurred under Grant Number S-INLEC17GR0166 for the Project to Improve Access to Justice by Providing Access to Legal Aid in Nangarhar, Laghman, Kunar, Helmand, and Kandahar Provinces, and in the Justice Center in Parwan, Counter Narcotics Justice Center, and Anti-Corruption Justice Center, while assisting the Government of Afghanistan to Strengthen its Criminal Legal Aid System for the period September 25, 2017 through February 28, 2021. Because the Statement presents only a selected portion of the operations of The International Legal Foundation, Ltd., it is not intended to and does not present the financial position, changes in net assets, or cash flows of The International Legal Foundation, Ltd. The information in this Statement is presented in accordance with the requirements specified by the Office of the Special Inspector General for Afghanistan Reconstruction ("SIGAR") and is specific to the aforementioned Federal Grant Award S-INLEC17GR0166. Therefore, some amounts presented in this Statement may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Basis of Accounting

Revenues and expenditures reported on the Statement are reported on the accrual basis of accounting. Expenditures are recognized following the cost principles contained in 2 CFR Part 200 Subpart E, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Foreign Currency Translation Method

For purposes of preparing the Statement, translations from local currency to United States dollars were required. The ILF's internal financial reports are in USD. The ILF maintains two sets of books to record expenses related to this award. These independent databases are in New York and in Afghanistan. Both databases use USD as its default currency. Transactions in Afghanistan can be in USD and/or Afghani currencies. Dedicated member/s of the ILF Afghanistan finance team convert Afghani costs to USD before these costs are entered into the accounting system. Monthly average rate issued by the Afghanistan Bank at the end of each month are used to convert salaries, withholding taxes and other fund transfers. Daily rates are used to convert expenses other than those enumerated. Rates used are indicated on every transaction supporting documents.

The U.S. Dollar ("Dollars") is the functional currency for the ILF's worldwide operations. Transactions in currencies other than Dollars are translated into Dollars at the rates of exchange in effect during the month of the transaction. Assets and liabilities other than equipment are translated into Dollars at the exchange rate in effect at the statement of financial position dates. Equipment and related depreciation are translated at exchange rates in effect when acquired. Currency gains and losses from translation are recognized and recorded.

Note 4. Revenues

Revenues on the Statement represent the amount of funds to which The International Legal Foundation, Ltd. is entitled to receive from the U.S. Department of State for allowable, eligible costs incurred under the grant during the period of performance.

The International Legal Foundation
Notes to the Special Purpose Financial Statement
Grant Agreement No. S-INLEC17GR0166
For the Period September 25, 2017, through February 28, 2021

Note 5. Costs Incurred by Budget Category

The budget categories presented, and associated amounts reflect the budget line items presented within the final, approved award budget adopted as a component of the modification SINLEC17GR0166-M003, dates May 22, 2020. Summary of Budget Categories are as follows:

Cost Category	Dollar Amount
Personnel	\$2,056,763
Fringe Benefits	\$91,413
Travel	\$77,564
Supplies	\$72,839
Contractual	\$127,184
Other Direct Costs	\$152,843
Indirect Costs	\$235,625
Total Costs Incurred	\$2,814,231

Note 6. Cost Share

A summary of recipient cost share reported during the audit period are noted below:

Cost Category	Dollar Amount
Personnel	\$20,671
Fringe Benefits	\$15,003
Rent	\$12,371
Pro Bono Services	\$43,633
Total Cost Share	\$91,677

Note 7. Balance

The balance is \$0. The ILF is on Advance mode of payment with the Bureau of International Narcotics and Law Enforcement Affairs ("INL"). Cash receipts exceeded the costs incurred or charged as of end date, February 28, 2021. The ILF implemented ASU 2014-09 to our fiscal year end date, December 31, 2019. All receipts with donor restrictions from implementation to present are recognized as liabilities and are recorded as advances from donors. In addition, the cost share amount reported on the Statement is not included in the calculation of the balance.

Note 8. Currency

All amounts presented are shown in U.S. dollars.

(Continued)

Note 9. Program Status

The Project to Improve Access to Justice by Providing Access to Legal Aid in Nangarhar, Laghman, Kunar, Helmand, and Kandahar Provinces, and in the Justice Center in Parwan, Counter Narcotics Justice Center, and Anti-Corruption Justice Center, while assisting the Government of Afghanistan to Strengthen its Criminal Legal Aid System remains active. The period of performance for the award is scheduled to conclude on September 30, 2022 as noted in modification number SINLEC17GR0166-M003 dated May 22, 2020. Accordingly, adjustments to amounts currently reported on the Special Purpose Financial Statement may be made as a result of audit adjustments.

Note 10. Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to the September 25, 2017 to February 28, 2021, period covered by the Statement. Management has performed their analysis through April 29, 2022.

Note 11. Related Party Transactions

No related party transactions to report.

Note 12. Subrecipients

No subrecipients under the grant to report.

Note 13. COVID-19 Impact

The ongoing Coronavirus pandemic has resulted in substantial volatility in the global economy. The pandemic may potentially have an adverse effect on the results of operations. While management has implemented measures to mitigate the impact of the pandemic, including obtaining a Paycheck Protection Program (PPP) loan under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the extent to which the ILF's operations are impacted will depend on future developments, which are highly uncertain and cannot be predicted. As a result, management cannot reasonably estimate the overall impact of the Coronavirus pandemic to the ILF's future results of operations, cash flows, and financial condition.

Note 14. Security Impact in Afghanistan

Provided as a separate document is the concept note describing the adjustments the International Legal Foundation (ILF) proposes to make to its activities under U.S. State Department, Bureau of International Narcotics and Law Enforcement Affairs Grant Number S-INLEC17GR0166. While the ILF believes it can still achieve the goals and objectives outlined under the original grant agreement, an adjustment of certain activities is required in light of the Taliban takeover of Afghanistan.

The International Legal Foundation
Notes to the Questioned Costs Purpose Financial Statement
Grant Agreement No. S-INLEC17GR0166
For the Period September 25, 2017, through February 28, 2021

- A. Finding 2021-01 questioned \$20,117 as ILF did not provide adequate supporting documentation to demonstrate the sole source provider's charges were reasonable.
- B. Finding 2021-02 questioned \$7,813 due to ILF's improperly including rental costs in the modified direct total cost base during its calculation of indirect costs.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL

To the Board of Directors and Management of the International Legal Foundation
315 W. 39th Street, Suite 507
New York, NY 10018

To the Office of the Special Inspector General for Afghanistan Reconstruction
2530 Crystal Drive
Arlington, Virginia 22202

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Special Purpose Financial Statement (the "Statement") of The International Legal Foundation ("ILF"), and related notes to the Statement, with respect to the program to improve access to justice by providing access to legal aid and supporting ILF-Afghanistan's engagement in strategic litigation and out of court advocacy, in order to achieve systemic change and strengthen the rule of law, funded by the U.S. Department of State ("State") grant agreement No. S-INLEC17GR0166 for the period September 25, 2017 through February 28, 2021. We have issued our report thereon dated April 29, 2022.

Internal Control over Financial Reporting

The International Legal Foundation's management is responsible for establishing and maintaining effective internal control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that the assets are safeguarded against loss from unauthorized use or disposition; transactions are executed in accordance with management's authorization and in accordance with the terms of the grant agreement; and transactions are recorded properly to permit the preparation of the Statement in conformity with the basis of accounting and presentation described in Notes 1 and 2 to the Statement. Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the Statement, we considered The International Legal Foundation's internal controls over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Statement, but not for the purpose of expressing an opinion on the effectiveness of The International Legal Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of The International Legal Foundation's internal control.

(Continued)

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the second paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be significant deficiencies. See findings 2021-01, 2021-02, and 2021-03.

The International Legal Foundation's Response to the Findings

The International Legal Foundation's response to the findings identified in our audit are described in Appendix A to our report. The International Legal Foundation's response to the findings was not subject to the auditing procedures applied in the audit of the Statement and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

Restriction on Use

This report is intended for the information of The International Legal Foundation, the United States Department of State, and the Office of the Special Inspector General for Afghanistan Reconstruction. Financial information in this report may be privileged. The restrictions of 18 U.S.C. 1905 should be considered before any information is released to the public.

Crowe LLP
Crowe LLP

April 29, 2022
Washington, D.C.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

To the Board of Directors and Management of the International Legal Foundation
315 W. 39th Street, Suite 507
New York, NY 10018

To the Office of the Special Inspector General for Afghanistan Reconstruction
2530 Crystal Drive
Arlington, Virginia 22202

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Special Purpose Financial Statement (the "Statement") of The International Legal Foundation ("ILF"), and related notes to the Statement, with respect to the program to improve access to justice by providing access to legal aid and supporting ILF-Afghanistan's engagement in strategic litigation and out of court advocacy, in order to achieve systemic change and strengthen the rule of law, funded by the U.S., Department of State ("State") grant agreement No. S-INLEC17GR0166 for the period September 25, 2017 through February 28, 2021. We have issued our report thereon dated April 29, 2022.

Management's Responsibility for Compliance

Compliance with Federal rules, laws, regulations, and the terms and conditions applicable to the grant agreement is the responsibility of the management of The International Legal Foundation.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether ILF's Financial Statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as Findings 2021-01, 2021-02, and 2021-03.

The International Legal Foundation's Response to the Findings

The International Legal Foundation's response to the findings identified in our audit are described in Appendix A to our report. The International Legal Foundation's response to the findings was not subject to the auditing procedures applied in the audit of the Statement and, accordingly, we express no opinion on it.

(Continued)

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's compliance. Accordingly, this communication is not suitable for any other purpose.

Restriction on Use

This report is intended for the information of The International Legal Foundation, the United States Department of State, and the Office of the Special Inspector General for Afghanistan Reconstruction. Financial information in this report may be privileged. The restrictions of 18 U.S.C. 1905 should be considered before any information is released to the public.

Crowe LLP
Crowe LLP

April 29, 2022
Washington, D.C.

FINDING 2021-01: Missing Sole Source Justification and Price Reasonableness Support

Significant Deficiency in Internal Control and Noncompliance

Condition: During our procurement testing, Crowe noted that ILF did not maintain documentation supporting a sole source procurement for 1 of the 2 samples reviewed. Specifically, on September 27, 2019, ILF procured the services of the security consulting firm ShoreSec, in the amount of \$14,200 for a one-year period. The contract was renewed in September of 2020 at \$14,200 for another one-year period.

We noted that ILF did not conduct competitive bidding procedures for this procurement as required by ILF's Procurement Procedures. Specifically, they state that "...at the time of the procurement, purchases over \$10,000 must undergo a competitive bid process. The staff member handling the purchase should obtain at least three bids whenever possible."

According to the code of Federal regulations, a sole source procurement is acceptable if one or more of the requirements in 2 CFR 200.320(c) have been met. The rationale for the non-competitive procurement must be documented through a Sole Source Justification. We noted that non-Federal entities, in accordance with 2 CFR 200.318(i), are tasked with maintaining records sufficient to detail the history of a procurement. These records should include the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. As all of these records were not maintained, ILF could not provide support showing that the price paid was reasonable. The \$20,117 that was incurred for this contract during the period under audit is questioned.

As part of this finding Crowe noted that the internal controls established over noncompetitive procurements were inadequate. Specifically, ILF's procurement procedures, approved on April 24, 2017, do not mention noncompetitive procurements or sole source justifications. Additionally, ILF provided updated procurement procedures approved on February 27, 2020 during the period under audit. We noted that the updated procedures do not specify what actions should be performed, who is performing those procedures, and what documentation should be maintained, when a competitive procurement is not reasonably feasible."

Criteria: Pursuant to 2 CFR 200.318(i), The Non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: Rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

2 CFR 200.319 (a) All procurement transactions for the acquisition of property or services required under a Federal award must be conducted in a manner providing full and open competition consistent with the standards of this section and § 200.320.

2 CFR 200.320 (c) - There are specific instances in which noncompetitive procurement can be used. Noncompetitive procurement can only be awarded if one or more of the following circumstances apply: (1) the acquisition...does not exceed the micro-purchase threshold...; (2) the item is only available from a single source; (3) the public...emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation; (4) The federal awarding agency...expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity; or (5) After solicitation of a number of sources, competition is determined inadequate. TAF's *Country Office Procurement Policy* establishes a micro-purchase threshold of \$500 for which a minimum of one written quote is required.

ILF's *2017 Purchasing Goods and Services* policy states: "Purchases over \$10,000 must undergo a competitive bid process. The staff member handling the purchase should obtain at least three bids whenever possible. All bids must be recorded and filed appropriately."

(Continued)

The International Legal Foundation
Section I: Summary Schedule of Findings and Questioned Costs
Grant Agreement NO. S-INLEC17GR0166
For the Period September 25, 2017 through February 28, 2021

Questioned Costs: \$20,117

Effect: Management is potentially not utilizing the most cost-effective contractors by failing to use competitive bidding procedures, resulting in potential excessive charges to the U.S. government. Additionally, the documentation being maintained is insufficient for the U.S. government to understand procurement decisions made by ILF.

Cause: The procurement procedures in place by the ILF at the time of the award were not written in enough detail to instruct ILF personnel on the actions, approvals, and documentation needed while entering into a sole source procurement.

Recommendation: We recommend that ILF:

1. Reimburse the government for the \$20,117 in questioned costs or provide the government with a sole source justification that meets the guidance in 2 CFR 200.320 (c).
2. Update the policies and procedures to provide sufficient instruction to ILF personnel on the actions, approvals, and documentation needed when entering into a sole source procurement. Provide training to procurement personnel on the updated procedures.

(Continued)

FINDING 2021-02: Inconsistent and Incorrect Calculation of Indirect Costs

Significant Deficiency in Internal Control and Noncompliance

Condition: During our review of indirect costs, we noted that ILF included \$78,135 of “rent and rent related costs” in their Modified Total Direct Cost (MTDC) base. Per 2 CFR 200.68, rental costs should be excluded from the modified total direct cost MTDC base. As such, \$7,813 of indirect cost is being questioned as a result of ILF applying the 10% de minimis rate to these rental costs.

Crowe also noted that indirect costs were not being charged at the de minimis rate on a consistent basis. Specifically, Crowe noted that ILF’s indirect costs in their accounting records did not agree to the indirect cost amounts reported on the SF-425 for 3 of 15 quarters in our audit period. For these 3 quarters the SF-425 reported \$7,411 less in indirect cost than what the accounting records stated. We noted that ILF corrected these variances in subsequent quarters, such that the indirect cost SF-425 reconciled to the accounting records by the end of our audit period. As a result, no costs are at question related to the inconsistent application of the de minimis rate.

Criteria: Pursuant to 2 CFR 200.68, MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000.

In addition, ILF’s *IDC - general ILF policy* states that “ILF elected to use the 10% de minimis rate”.

Questioned Costs: \$7,813

Effect: The government was not receiving accurate financial information related to indirect costs charged under the award. Additionally, the Government reimbursed ILF for unallowable costs related to the grant agreement under audit.

Cause: Management was unaware of the unallowable portions in the MTDC calculation and as a result included rental expenses in the MTDC base.

Recommendation: We recommend that ILF:

1. Repay the U.S. government for the \$7,813 of ineligible costs.
2. Review the requirements of 2 CFR 200.68 and align their policies and procedures related to the charging of indirect costs to the guidance.
3. Provide training to personnel on the correct application of indirect costs.
4. Update internal control procedures covering indirect costs to include that indirect cost must be calculated, applied, and reported consistently to ensure consistency between their accounting records and standard reports.

FINDING 2021-03: Suspension / Debarment Check Not Performed Prior to Award

Significant Deficiency in Internal Control and Noncompliance

Condition: During our procurement testing, Crowe noted that ILF did not perform a suspension/debarment check, as required by 2 CFR 200.214, prior to making the following awards:

Vendor	Award Date	Amount
6AC	12/1/2020	\$9,661
ShoreSec	9/28/2020	\$20,117

Crowe also noted in their contracts that ILF did not appropriately address the non-Federal entity flow down requirement stated in section VI of the U.S. Department of State Standard Terms and Conditions – “Non-Federal Entity Responsibilities and Compliance with Federal Requirements”. Specifically, the terms and conditions of the agreement and the cost principles applicable to 2 CFR 200 were not included in their two subcontracts.

Criteria: Pursuant to 2 CFR 200.214, Non-Federal entities are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. The regulations in 2 CFR part 180 restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

U.S. Department of State Standard Terms and Conditions – “Non-Federal Entity Responsibilities and Compliance with Federal Requirements”.

Questioned Costs: None. Finding relates to a lack of procedures. We did not identify purchases that were awarded to suspended or debarred contractors that would result in questioned costs.

Effect: There is an increased risk that ILF contracts with entities that are suspended or debarred from conducting business with the United States government.

Cause: The ILF did not have a procurement policy that required a suspension and debarment check prior to an award being made or include checks to ensure necessary flow down provisions were included in their award documents.

Recommendation: We recommend that ILF:

1. Implement controls in their policies and procedures regarding a suspension/debarment check before awarding contracts and train personnel on the updated controls.
2. Provide training to personnel on the necessary flow down of federal terms and conditions required in their contracts with vendors.

The International Legal Foundation
Section II: Summary Schedule of Prior Audit, Review, and Assessment Findings
Grant Agreement NO. S-INLEC17GR0166
For the Period September 25, 2017 through February 28, 2021

Crowe also requested from ILF, SIGAR, and State copies of prior audits, reviews, and evaluations pertinent to ILF's activities under the grant agreement. Based on Crowe's communications with ILF, SIGAR, and State, Crowe reviewed two (2) prior audit reports that may be direct and material to the Special Purpose Financial Statement or other financial information significant financial data to the audit objectives. We concluded that neither of the reports contained findings or recommendations.

[REDACTED]

[REDACTED]

(Continued)

FINDING 2021-02: Inconsistent and Incorrect Calculation of Indirect Costs

During our review of indirect costs, we noted that ILF included “rent and rent related costs” in their Modified Total Direct Cost (MTDC) base. Per 2 CFR 200.68, rental costs should be excluded from the modified total direct cost MTDC base. Crowe also noted that the indirect costs were not being charged on a consistent basis. There were questioned costs of \$7,813 related to the rent and rent related costs being included in the MTDC base.

Management Response:

ILF Management disagrees with the recommendation to repay the U.S. government for the \$7,813 of ineligible costs. The ILF is aware that we cannot include rent and rent-related costs to our Modified Total Direct Cost base. The specific instance noted by the auditors in which ineligible costs were included in the IDC calculations was an oversight, and the variance was corrected in subsequent quarters such that the indirect cost SF-425 reconciled to the accounting records by the end of our audit period. As a result, no costs are at question related to the inconsistent application of the de minimis rate for this specific instance.

ILF Management agrees with the recommendation to provide regular training to personnel on the correct application of IDC in accordance with MTDC, however, after review of our internal control procedures covering indirect costs, we believe our internal control procedures covering IDC is sufficient. Regarding policies and procedures, it is worth noting that in the interim, the ILF has Negotiated an Indirect Cost Rate Agreement (NICRA) which enables us to quickly calculate the appropriate allocation of indirect costs and this stream-lines the entire process.

Action taken by the ILF: IDC calculation was corrected to comply with MTCD requirements as of December 31, 2021. Since that time, MTDC is used to calculate monthly IDC charges. In addition, since that time, training on IDC MTDC computations is included to the on-boarding list for all new additions to the ILF Accounting and Finance team working with federal grants. Current employees working with federal grants were also re-trained.

(Continued)

FINDING 2021-03: Suspension / Debarment Check Not Performed Prior to Award

During our procurement testing, Crowe noted that ILF did not perform a suspension/debarment check, as required by 2 CFR 200.214, prior to making two awards. Crowe also noted in ILF contracts with vendors, the terms and conditions of the grant agreement and cost principles of 2 CFR 200 were not included.

Management Response:

ILF Management agrees with the finding and both of the recommendations, and notes that subsequent to entering into contracts with 6AC and ShoreSec we conducted a thorough review of our procurement procedures with our auditors at PKF O'Connor Davies and lawyers at Morrison & Foerster. This resulted in the drafting and adoption of new procurement procedures by the ILF's board of directors in 2020, and high level recommendations for additional policies and procedures that we are in the process of implementing. As a result of this process, on June 14, 2021, the ILF conducted a suspension and debarment check of 6AC and ShoreSec to ensure they were not disbarred from doing business with the U.S. government. Regarding the recommendation on flow down provisions, lawyers at Morrison & Foerster advised ILF Management that ILF Department of State subgrants they reviewed all appropriately incorporated the Department of State standard terms and conditions by reference and attachment, which should adequately cover ILF's flowdown obligations. They also noted that ILF shares its subgrants directly with the Department of State, which further suggests the flowdown obligations are covered. They noted this was a good practice. And while they explained that in some cases subcontractors are not subject to the same level of flowdowns as grantees, they suggested that we include flowdowns in subcontract agreements as Department of State terms and conditions do not make this distinction.

Actions taken by the ILF: The ILF is working with Morrison & Foerster to further update our procurement procedures to include clear process for conducting suspension and debarment checks and including flowdown provisions in all ILF subgrant and subcontract agreements. After completed, Morrison & Foerster will assist with a training for ILF staff on these procedures. The ILF expects both of these action items to be completed during the third quarter of 2022.

Appendix B: Auditor's Rebuttal

Crowe LLP ("Crowe" or "we" or "us") has reviewed the management responses of The International Legal Foundation ("ILF" or "the auditee") responses to the draft report audit findings provided to Crowe on April 29, 2022. In consideration of those views, Crowe has included the following rebuttal to certain matters presented by the auditee. Crowe incorporates a rebuttal in those instances where management disagrees with the facts presented within the condition, does not concur with Crowe's recommendation, or provides additional documentation for review. In those instances where management either agrees with the finding or does not disagree with the facts in the finding, as presented, no rebuttal is provided. Using this framework, Crowe has incorporated two rebuttals to management's comments, below.

FINDING 2021-01: Missing Sole Source Justification and Price Reasonableness Support

Management disagreed with the finding that the sole source procurement justification was absent. We have reviewed management's response and noted that the response did not include any new additional supporting documentation to alter the finding. In consideration of these matters and management not having provided documentation that may serve as sufficient, appropriate, audit evidence to clear the reported matters, the finding has not been changed.

FINDING 2021-02: Inconsistent and Incorrect Calculation of Indirect Costs

Management disagreed with the finding that the indirect costs utilized an incorrect modified total direct cost (MTDC) base and, therefore, created a questioned cost of \$7,813. We have reviewed management's response and noted that the response did not include any new additional supporting documentation alter the finding. In consideration of these matters and management not having provided documentation that may serve as sufficient, appropriate, audit evidence to clear the reported matters, the finding has not been changed

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SIGAR's Mission

The mission of the Special Inspector General for Afghanistan Reconstruction (SIGAR) is to enhance oversight of programs for the reconstruction of Afghanistan by conducting independent and objective audits, inspections, and investigations on the use of taxpayer dollars and related funds. SIGAR works to provide accurate and balanced information, evaluations, analysis, and recommendations to help the U.S. Congress, U.S. agencies, and other decision-makers to make informed oversight, policy, and funding decisions to:

- improve effectiveness of the overall reconstruction strategy and its component programs;
- improve management and accountability over funds administered by U.S. and Afghan agencies and their contractors;
- improve contracting and contract management processes;
- prevent fraud, waste, and abuse; and
- advance U.S. interests in reconstructing Afghanistan.

Obtaining Copies of SIGAR Reports and Testimonies

To obtain copies of SIGAR documents at no cost, go to SIGAR's Web site (www.sigar.mil). SIGAR posts all publicly released reports, testimonies, and correspondence on its Web site.

To Report Fraud, Waste, and Abuse in Afghanistan Reconstruction Programs

To help prevent fraud, waste, and abuse by reporting allegations of fraud, waste, abuse, mismanagement, and reprisal, contact SIGAR's hotline:

- Web: www.sigar.mil/fraud
- Email: sigar.pentagon.inv.mbx.hotline@mail.mil
- Phone International: +1-866-329-8893
- Phone DSN International: 312-664-0378
- U.S. fax: +1-703-601-4065

SIGAR's Mission

Public Affairs Officer

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