

Summary: Quality Control Review of American Samoa's Single Audit for FY 2023

Report Date: July 29, 2025

Report Number: 2025-FIN-018

In agreement with the U.S. Department of Education, the cognizant agency for auditing American Samoa,¹ we conducted a quality control review (QCR) of an independent public accountant's (IPA's) fiscal year 2023 single audit² of American Samoa, a U.S. Department of the Interior, Office of Insular Affairs (OIA) grantee. The purpose of our QCR was to determine whether the IPA performed the single audit in accordance with all applicable auditing standards and the Code of Federal Regulations.

IPAs may receive an overall QCR rating of pass, pass with deficiencies, or fail. Based on our review, we assigned an overall rating of **fail** because the IPA's audit documentation did not support the opinions expressed in the audit report. Our QCR revealed several major deficiencies in the IPA's work, including omitting major Federal programs from required internal control and compliance testing, unreasonable determination of applicable compliance requirements, inadequate documentation of control and compliance testing, and inadequate sample size to gather sufficient and appropriate evidence to conclude on certain compliance testing.

On March 26, 2025, we reported our QCR results to the IPA. The IPA partially agreed with the findings and responded that it has already modified, or is in the process of modifying, workpaper templates, testing methodologies, and documentation practices that the IPA anticipates will correct the types of noted deficiencies in future audits.

This is a summary of a memorandum we provided to the U.S. Department of Education National Single Audit Coordinator and OIA Associate Deputy Director of Policy.

¹ 2 CFR 200.513(a)(1) defines *Cognizant agency for audit* as the Federal agency that provides the largest amount of direct funding to a non-Federal entity expending more than \$50 million a year in Federal awards.

² A single audit is an annual audit of the financial statements and Federal awards of a non-Federal entity that has expended \$1,000,000 or more in Federal funds during a fiscal year (\$750,000 or more prior to October 1, 2024).

