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## **Agreed Upon Procedures on Indirect Cost Rates Proposed by the National Democratic Institute for International Affairs**

As part of the overall audit of the National Endowment for Democracy, the Office of Inspector General contracted with an independent auditor to perform agreed-upon procedures on indirect cost rates submitted by the National Democratic Institute for International Affairs (NDI) for the year ended September 30, 2005. The objective was to provide recommended final rates for that year for use in reimbursing costs incurred under awards made to NDI by the Department of State (Department). The independent auditor took no exceptions to the proposed rates.

The independent auditor recommended that the Department use the proposed rates for purposes of determining the final costs incurred by NDI during the year ended September 30, 2005, under awards made by the Department to NDI.

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The fieldwork for OIG Report AUD/CG-07-05 was conducted by Leonard G. Birnbaum, LLP. This is an unclassified summary of a full report, which may receive limited official distribution.

### **Office of Inspector General**

The Office of Inspector General conducts independent audits, inspections, and investigations to promote effective management, accountability, and positive change in the Department of State, the Broadcasting Board of Governors, and the foreign affairs community.