

COMPACT AUDIT PLAN

- A.** Reference is made to the Millennium Challenge Compact (the “Compact”) between the United States, acting through the Millennium Challenge Corporation (MCC) and the Government of [full name of country] (“Government”) entered into on [Compact signing date]. The Compact entered into force on [Entry Into Force (“EIF”) signing date]. Capitalized terms used, but not otherwise defined herein, shall have meanings given to such terms in the Compact.
- B.** An Audit Plan is submitted pursuant to Section 3.8(d) of the Compact, which requires the Government to adopt, or cause to be adopted an Audit Plan no later than sixty (60) calendar days after the first anniversary of the Compact EIF.
- C.** MCA-[common name of country] shall engage an independent auditor to conduct an audit of all MCC Disbursements and Re-Disbursements in accordance with the *Millennium Challenge Corporation Guidelines for Financial Audits Contracted by Foreign Recipients* (“MCC Audit Guidelines”) on a semiannual basis for the six-month periods ending June 30 and December 31 of each calendar year (“Audit Period”). The first audit shall cover the period from [EIF date] to [June 30, 20xx (or) December 31, 20xx, as applicable].
- D.** MCA-[common name of country] also shall engage an independent auditor to conduct an audit of all Covered Providers, in accordance with the MCC Audit Guidelines. A Covered Provider is defined as any non-U.S. Provider that receives, directly or indirectly, US \$300,000 or more of MCC Funding in any MCA-[common name of country] fiscal year or any U.S. Provider that receives, directly or indirectly, US \$500,000 or more of MCC Funding in any MCA-[common name of country] fiscal year. Generally, contracts, grants, and agreements awarded in an amount of US \$300,000 or more for periods of one year or less, for other than the provision of goods, works or services on other than a fixed price basis, shall require a contracted audit.
- E.** After the initial audit conducted pursuant to either section C or D above, MCA-[common name of country] shall enter into an appropriate number of indefinite delivery contracts with qualified auditors to conduct the subsequent audits of Covered Providers, at the times specified by orders at the unit rates specified in the indefinite delivery contract. This type of contract shall ensure that qualified auditors are available as necessary for MCA-[common name of country] to meet the audit requirements of the Compact and Supplemental Agreements.
- F.** Covered Providers subject to audit for the current Audit Period are:
1. [name of first Covered Provider];
 2. [name of second Covered Provider, etc.]; and

Compact Audit Plan, *continued*

- 3.** [name of last Covered Provider].
- G.** MCA-[common name of country] shall also designate in writing to MCC a contact person responsible for audit matters.
- H.** MCA-[common name of country] recognizes that MCC retains the right to perform, or cause to be performed, the audit(s) contemplated by this Audit Plan by utilizing MCC Funding or other resources available to MCC for this purpose, and to audit, conduct a financial review, or otherwise ensure accountability of any Provider or any other third party receiving MCC Funding regardless of the requirements of Section 3.8. of the Compact or this Audit Plan.