



## OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

### MEMORANDUM

**DATE:** November 1, 2022

**TO:** USAID/Southern Africa, Acting Regional Mission Director, Troy Tillis

**FROM:** USAID OIG Africa Regional Office, Audit Director, Robert Mason /s/

**SUBJECT:** Financial Audit of USAID Resources Managed by Wits Health Consortium in Multiple Countries Under Multiple Awards, January 1 to December 31, 2021 (Report No. 4-674-23-013-R)

This memorandum transmits the final audit report on USAID resources managed by Wits Health Consortium (WHC) under multiple awards in multiple countries, which are listed in the attached appendix I. WHC contracted with the independent audit firm PricewaterhouseCoopers Inc. (PwC), Johannesburg, South Africa to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards. However, it did not have an external peer review or a continuing professional education program that fully satisfy the standards' requirements. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on WHC's schedule of expenditures of USAID awards; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.<sup>1</sup>

The audit objectives were to (1) express an opinion on whether the schedule of expenditures of USAID awards for the period audited, was presented fairly, in all material respects; (2) evaluate WHC's internal controls; (3) determine whether WHC complied with award terms and applicable laws and regulations; (4) review the indirect cost rate; and (5) review the implementation status of the prior period recommendations.

To answer the audit objectives, PwC (1) audited the schedule of expenditures of USAID awards including the budgeted amounts by category and major items and the revenues received from USAID for the period covered by the audit and the costs reported by WHC as incurred from January 1 to December 31, 2021; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to WHC's ability to report financial data consistent with the assertions embodied in each account of the schedule of expenditures of USAID awards; (3) identified the award terms and pertinent laws and regulations and

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<sup>1</sup> We reviewed the audit firm's report for conformity with professional reporting standards. Our desk reviews are typically performed to identify any items needing clarification or issues requiring management attention. Desk reviews are limited to review of the audit report itself and excludes review of the auditor's supporting working papers; they are not designed to enable us to directly evaluate the quality of the audit performed.

determined which of those, if not observed, could have a direct and material effect on the schedule of expenditures of USAID awards; (4) determined that the review of the indirect cost rate was not applicable; and (5) reviewed the implementation status of the prior period recommendations. WHC reported expenditures of \$28,636,615 in USAID funds during the audited period.

The audit firm concluded the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. The audit firm identified no questioned costs; no material weaknesses in internal control; and no instances of material noncompliance. The audit firm issued a management letter.

Accordingly, we are making no recommendations.

During our desk review, we noted several areas for improvement which the audit firm should address in future audit reports. We presented these areas in a memo to the controller, dated November 1, 2022.

OIG does not routinely distribute independent public accounting reports beyond the immediate addressees because a high percentage of these reports contain information restricted from release under the Trade Secrets Act, 18 U.S.C. 1905 and Freedom of Information Act Exemption Four, 5 U.S.C. 552(b)(4) ("commercial or financial information obtained from a person that is privileged or confidential").

## Appendix I - Award List

No.	Agreement Number	Agreement Type
1	72067418CA00006 (BEAT TB)	USAID Prime Agreement
2	AID-674-A-15-00013 (EGRS II)	USAID Prime Agreement
3	72067419CA00004 (Hero-EVIDENCE)	USAID Prime Agreement
4	72067419CA00001 (WRHI SCHOOLS Project)	USAID Prime Agreement
5	72067418CA00027 (WRHI Key Pops)	USAID Prime Agreement
6	72067418CA00019 (WRHI APACE)	USAID Prime Agreement
7	WRHI subaward UWSC8514 Under AID-OAA-A-15-00034 (WRHI-POWER) – in Kenya and South Africa (closeout)	Subaward Under University of Washington
8	WRHI subaward 4-312-0214924-52383L Under AID-OAA- A-15-00032 (WRHI-CHARISMA) (closeout)	Subaward Under RTI
9	WRHI subaward 2-312-0217929-66358L Under AID-2134-0178763 (WHRI-CHARISMA-Mobile)	Subaward Under RTI
10	RTC subaward RTC-DMMH-EQUIP Under AID-OAA-A- 15-00070 (closeout)	Subaward Under RTC
11	HERO-EQUIP Under AID-OAA-A-15-00070	Subaward Under RTC
12	STREAM Durban, GHN-A-00-08-00004-00, Protocol No. ISRCTN 7837290 (closeout)	Subaward Under International Union Against Tuberculosis and Lung Disease
13	HJH Stream II, GHN-A-00-08-00004-00, Protocol No. ISRCTN 78372190 (closeout)	Subaward Under International Union Against Tuberculosis and Lung Disease
14	S2WPE_SU Treat TB (STREAM II PE) (closeout)	Subaward Under International Union Against Tuberculosis and Lung Disease
15	AID-OAA-A-16-00032, Task Order 9482 (CLS-IAVI) (closeout)	Subaward Under IAVI
16	AID-OAA-A-16-00032, subaward A09549 (Lynn-IAVI) (closeout)	Subaward Under IAVI
17	AID-OAA-A-15-00045, PO19000013 (MatCH LARC) (closeout)	Subaward Under FHI360
18	AID-612-C-16-00005 (SBCC-FHI) in Malawi (closeout)	Subaward Under FHI360
19	AID-OAA-A-15-00045, (Envisioning – FP, Promise WITS WHI) (closeout)	Subaward Under FHI360
20	72067418CA00023, ESRU-ANOVA	Subaward Under ANOVA Health Institute
21	AID-OAA-A-16-00031, WRHI-AVAC (closeout)	Subaward Under Aids Vaccine Advocacy Coalition (AVAC)
22	AID-OAA-A-13-00088, Expanding Effective Contraceptive Options (EECO) Project	Subaward Under WCG CARES
23	72067421C00001 (Khanya Project - 21-SBA-099:) (closeout)	Subaward Under Jhpiego Corporation
24	7200AA21CA00011, Maximizing Options to Advance Informed Choice for HIV Prevention (MOSAIC-102716.001.006.001)	Subaward Under FHI360
25	7200AA20CA00030, Engage, Acceptability Study (Aim1) and Point-of-Care Assay Pilot (Aim 2b)” (MATCH CONRAD- ENS-21-007)	Subaward Under EVMS on behalf of CONRAD

