



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: January 24, 2024

TO: USAID/Bangladesh Mission Director, Reed J. Aeschliman

FROM: Asia Regional Office, Assistant Director, Rhonda M. Horried /s/

SUBJECT: Audit of International Centre for Diarrhoeal Disease Research Under Multiple Awards in Bangladesh, January 1 to December 31, 2021 (5-388-24-010-R)

This memorandum transmits the final audit report on International Centre for Diarrhoeal Disease Research incurred costs under the following awards:

Award Name (Type)	Award Number	Period	Sub-implementer
Research for Decision Makers (cooperative agreement)	AID-388-A-17-00006	January 1 to December 31, 2021	n/a
Alliance for Combating TB (cooperative agreement)	72038820CA00002	January 1 to December 31, 2021	n/a

The auditee contracted with the independent audit firm ACNABIN, Chartered Accountants-bakertilly to conduct the audit. The audit firm stated it performed the audit in accordance with Generally Accepted Government Auditing Standards and USAID Financial Audit Guide for Foreign Organizations. However, it did not have a continuing professional education program that fully satisfies the standards' requirements. The audit firm explained that the qualified audit team members partly complied with the 24-hour government related CPE requirement. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on the auditee's schedule of expenditures; the effectiveness of its internal controls; or its compliance with the awards, laws, and regulations.¹

¹ 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.

The audit objectives were to: (1) express an opinion on whether the schedule of expenditures for the period audited was presented fairly, in all material respects; (2) evaluate the auditee's internal controls; and (3) determine whether the auditee complied with the award terms and applicable laws and regulations. To answer the audit objectives, the audit firm performed the subject financial audit that covered \$ 10,732,089 from January 1 to December 31, 2021.

The audit firm concluded that the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues and costs incurred under the awards for the period audited and did not identify any questioned costs. The audit firm did not identify any material internal control weaknesses or any material instances of noncompliance with the awards terms, conditions and applicable laws and regulations.

During our desk review, we noted areas for improvement which the audit firm should address in future audit reports. We presented these deficiencies in a memo to the controller, dated January 24, 2024.

The report does not contain any recommendations for your action.

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"). In addition, USAID OIG has determined that this transmittal memo and the enclosed report are not subject to notification and reporting requirements under Section 5274 of the National Defense Authorization Act.²

² The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 Pub. L. No. 117-263, § 5274. Please direct related inquiries to oinotice_ndaa5274@usaid.gov.