



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: August 26, 2022

TO: USAID/Vietnam Mission Director, Aler Grubbs

FROM: USAID OIG Asia Regional Office, USDH NFA Coordinator, Rhonda M. Horried /s/

SUBJECT: Financial and Closeout Audit of Multiple USAID Awards Managed by The Centre for Promotion of Quality of Life in Vietnam, January 1 to December 31, 2021 (5-440-22-022-R)

This memorandum transmits the final audit report on the following awards managed by The Centre for Promotion of Quality of Life (Life Centre):

| Award Name | Award Number | Period | Award Type/Audit Type |
|---|-----------------------|---------------------------------|---------------------------------------|
| USAID Enhanced Community HIV Link - Southern Program | AID-440-A-16-00004 | January 1 - December 31, 2021 | Cooperative Agreement/Closeout Audit |
| USAID Healthy Markets | AID.1913-00990308-SUB | January 1 - September 30, 2021 | Subagreement with PATH/Closeout Audit |
| USAID Local Assistance to Develop and Deliver Excellence, Resilience, and Sustainability in Vietnam | 72044022CA00002 | December 10 - December 31, 2021 | Cooperative Agreement/Annual Audit |

Life Centre contracted with the independent certified public accounting firm of Mazars Vietnam Co., Ltd. to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards (GAGAS). However, the audit firm disclosed that it does not have a continuing professional education program and external peer review that satisfy GAGAS requirements. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Life Centre's schedule of expenditures of USAID awards; the effectiveness of its internal control, or its compliance with the award, 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 Life Centre's schedule of expenditures of USAID awards for the period audited was presented fairly, in all material respects; (2) evaluate Life Centre's internal controls; and (3) determine whether Life Centre complied with award terms (including cost-sharing/matching contributions requirement) and applicable laws and regulations. The audit covered project revenues and expenses of \$1,222,545 and \$1,207,242 respectively for the audited period.

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 agreements for the period audited. The audit firm did not identify any questioned costs, material weaknesses in internal control, or instances of material noncompliance. The audit firm reported that the recipient contributed \$104,371, which satisfied the total cost-sharing requirement of \$103,109. The audit firm also reported that there were no prior audit findings.

During our desk review, we noted an issue that the audit firm should address in future audit reports. We presented the issue in a memorandum to the controller dated August 26, 2022.

The report does not include any recommendations.

The 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").