



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** October 27, 2022

**TO:** USAID/Vietnam Mission Director, Aler Grubbs

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

**SUBJECT:** Financial Audit of the Disabilities Integration of Services and Therapies Network for Capacity and Treatment Project in Vietnam, Managed by Sustainable Health Development Center, for the Fiscal Year Ending December 31, 2021 (5-440-23-001-R)

This memorandum transmits the financial audit report on the Schedule of Expenditures of USAID Awards for the Disabilities Integration of Services and Therapies Network for Capacity and Treatment Project in Vietnam, under cooperative agreement No. AID-440-A-15-00002, for the fiscal year ending December 31, 2021. The Sustainable Health Development Center (the recipient) contracted with the independent audit firm Grant Thornton (Vietnam) Limited to conduct the audit. The audit firm stated it performed its audit in accordance with generally accepted government auditing standards. However, it disclosed it did not have an external peer review or a continuing professional education program that fully satisfies 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 the recipient'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) state an opinion on whether the schedule of expenditures of USAID awards for the period audited were presented fairly, in all material respects; (2) evaluate the recipient's internal controls; (3) determine whether the recipient complied with award terms (including cost-sharing/matching contributions requirement) and applicable laws and regulations; and (4) determine whether the recipient had taken corrective actions on prior audit report recommendations. The audit examined the project's revenues and costs of \$1,122,798 and \$1,017,862,1, respectively for the audited period.

---

<sup>1</sup> We reviewed the audit firm's report for conformity with professional reporting standards. Our desk reviews are typically performed to identify items that need clarification or issues that require management attention. Desk reviews are limited to review of the audit report itself and exclude 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 firm concluded that the schedule of expenditures of USAID awards presented fairly, in all material respects, revenues and costs incurred for the audited period. The audit firm did not identify any questioned costs, material weaknesses in internal control, or instances of material noncompliance.

Regarding the review of the cost-sharing contributions, the audit firm reported that the recipient's cumulative contributions exceeded the required share for the project. The audit firm reported that the recipient had not resolved the prior year's recommendations.

During our desk review, we noted two issues that the audit firm should address in future audit reports. We presented the issues in a memorandum to the controller dated October 27, 2022.

The report does not include any recommendations.

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").