



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: July 25, 2023

TO: USAID/Vietnam Mission Director, Aler Grubbs

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

SUBJECT: Financial Audit of Fulbright University Vietnam Under Multiple awards, for the Year Ended June 30, 2022 (5-440-23-022-R)

This memorandum transmits the final audit report of Fulbright University Vietnam (FUV) under the following USAID awards:

Award Name (Type)	Award Number	Audit Period
USAID Fulbright University Vietnam Growth and Sustainability (Cooperative agreement)	72044021CA00004	For the period from August 6, 2021 to June 30, 2022
USDOS Award (YSEALI Academy) (Cooperative agreement)	SLMAQM20CA2458	For the year ending June 30, 2022
Department of State Fulbright University Vietnam USDOS Award (Grant)	SVM70020GR0021	For the year ending June 30, 2022
Department of State Fulbright University Vietnam USDOS Award (Grant)	SVM70021CA3038	For the year ending June 30, 2022

Fulbright University Vietnam contracted with the independent certified public accounting firm, Deloitte Vietnam Audit Company Limited to conduct the audit. The audit firm stated it performed its audit in accordance with generally accepted government auditing standards. However, it did not have an external quality control review program by an unaffiliated audit organization. In addition, the audit firm stated it did not have 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, the effectiveness of its internal control, or its compliance with the awards, laws, and regulations¹.

The audit objectives were to: (1) express an opinion on whether the schedule of expenditures managed by FUV for the period audited was presented fairly in all material respects; (2) evaluate FUV's internal controls; (3) determine whether FUV complied with awards terms and applicable laws and regulations; and (4) determine whether FUV took adequate corrective actions on prior audit recommendations. To answer the audit objectives, the audit firm performed the subject financial audit that covered total costs of \$6,404,769, (out of which \$5,737,016 are USAID related costs), for the year ending June 30, 2022.

The audit firm concluded that the schedule of expenditures 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 weaknesses in internal control or any material instances of noncompliance with laws, regulations, and agreements terms. The audit firm also issued a management letter.

During our desk review, we noted an area for improvement which the audit firm should address in future audit reports. We presented it in a memo to the controller, dated July 25, 2023.

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

¹ 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 work papers; desk reviews are not designed to enable us to directly evaluate the quality of the audit performed.

² The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 Pub. L. No. 117-263, § 5274. Please direct related inquiries to oignotice_ndaa5274@usaid.gov