



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** October 17, 2023

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

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

**SUBJECT:** Financial Audit of USAID Local Assistance to Develop and Deliver Excellence Resilience, and Sustainability in Vietnam Managed by Centre for Promotion of Quality of Life, Cooperative Agreement 72044022CA00002, January 1 - December 31, 2022 (5-440-24-002-R)

This memorandum transmits the final audit report of USAID Local Assistance to Develop and Deliver Excellence Resilience, and Sustainability program in Vietnam Managed by Centre for Promotion of Quality of Life (Life Centre), Cooperative Agreement 72044022CA00002, from January 1 to December 31, 2022. Life Centre contracted with the independent certified public accounting firm of Mazars Vietnam Co., Ltd. to conduct the audit. The audit firm stated it performed its audit in accordance with generally accepted government auditing standards, USAID Financial Audit Guide for Foreign Organizations, and the International Standards on Auditing. However, it did not have continuing professional education and external quality control review programs that satisfy GAGAS requirements because professional organizations in Vietnam do not provide external quality control reviews. With respect to the continuing professional education program, the audit firm said they could not fully comply with the U.S. government auditing related hours. 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) 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 Life Centre's internal controls; and (3) determine whether Life Centre complied with award terms and applicable laws and regulations. To answer the audit objectives, the audit firm

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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 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.

performed the subject financial audit that covered total costs of \$3,133,600 for the period from January 1 to December 31, 2022.

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

The report does not include 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.<sup>2</sup>

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<sup>2</sup> 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](mailto:oignotice_ndaa5274@usaid.gov).