



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: February 26, 2024

TO: USAID/Vietnam, Mission Director, Aler Grubbs

FROM: Deputy Assistant Inspector General for Audit, Christine M. Byrne /s/

SUBJECT: Closeout Financial Audit of the Disabilities Integration of Services and Therapies Network for Capacity and Treatment Project in Vietnam Managed by Sustainable Health Development Center, Cooperative Agreement AID-440-A-15-00002, January 1, 2022, to March 31, 2023 (5-440-24-022-R)

This memorandum transmits the final closeout financial audit report on the schedule of expenditure of USAID awards for the Disabilities Integration of Services and Therapies Network for Capacity and Treatment Project in Vietnam, under cooperative agreement number AID-440-A-15-00002, for the period covering January 1, 2022, to March 31, 2023. The Sustainable Health Development Center (the recipient) contracted with the independent audit firm Grant Thornton (Vietnam) Limited to conduct the audit. The firm stated it performed its audit in accordance with generally accepted government auditing standards, USAID Financial Audit Guide for Foreign Organizations, and International Standards on Auditing in conjunction with GAGAS. However, it did not have a continuing professional education program and an external peer review program that fully satisfy the standards' requirements because professional organizations in Vietnam do not offer such a quality control review program. 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.¹

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 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

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.

recommendations. To answer the audit objectives, the auditors performed the subject financial audit that covered total costs in the amount of \$868,851 during the audit period.

The audit firm concluded that the schedule of expenditures of USAID award presented fairly, in all material respects, program revenues, and costs incurred under the award 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.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 oignotice_ndaa5274@usaid.gov.