



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

MEMORANDUM

DATE: November 29, 2023

TO: USAID/Southern Africa, Regional Mission Director, Leslie Marbury

FROM: USAID OIG Africa Regional Office, Audit Director, Robert Mason /s/

SUBJECT: Financial Audit of USAID Resources Managed by Wits Health Consortium in Multiple Countries Under Multiple Awards, January 1 to December 31, 2022 (Report No. 4-674-24-039-R)

This memorandum transmits the final audit report on USAID resources managed by Wits Health Consortium (WHC) under multiple awards in multiple countries, which are listed in appendix I. WHC contracted with the independent audit firm Deloitte & Touche, Johannesburg, South Africa to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards. However, it did not have an external peer review or a continuing professional education program that fully satisfy 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 WHC'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 WHC's internal controls; (3) determine whether WHC complied with award terms and applicable laws and regulations; (4) review the indirect cost rate; and (5) review the implementation status of the prior period recommendations.

To answer the audit objectives, Deloitte & Touche (1) audited the schedule of expenditures of USAID awards including the budgeted amounts by category and major items and the revenues received from USAID for the period covered by the audit and the costs reported by WHC as incurred from January 1 to December 31, 2022; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to WHC's ability to report financial data consistent with the assertions embodied in each account of the schedule of expenditures of USAID awards; (3) identified the award terms and pertinent laws and

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.

regulations and determined which of those, if not observed, could have a direct and material effect on the schedule of expenditures of USAID awards; (4) determined that the review of the indirect cost rate was not applicable; and (5) determined that the review of implementation status of the prior period recommendations was not applicable as there were no recommendations in the prior period. WHC reported expenditures of \$24,927,981 in USAID funds during the audited period.

The audit firm concluded the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. The audit firm identified no questioned costs; no material weaknesses in internal control; and no instances of material noncompliance.

Accordingly, we are not making any recommendations.

During our desk review, we noted one area for improvement which the audit firm should address in future audit reports. We presented this area in a memo to the controller, dated November 29, 2023.

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 oinotice_ndaa5274@usaid.gov.

Appendix I Award List

No.	Award Number	Award Type
1	CHRU-USAID-72067418CA00006	USAID Prime Cooperative Agreement
2	HERO-USAID-72067419CA00004	USAID Prime Cooperative Agreement
3	WRHI - USAID - 72067419CA00001	USAID Prime Cooperative Agreement
4	WRHI - USAID - 72067418CA00027	USAID Prime Cooperative Agreement
5	WRHI - USAID - 72067418CA00019	USAID Prime Cooperative Agreement
6	AID-674-A-15-00013 - EGRS II (closeout)	USAID Prime Cooperative Agreement
7	WRHI - AVAC - USAID	Subaward under AIDS Vaccine Advocacy Coalition
8	ESRU - ANOVA	Subaward under Anova Health Institute
9	MATCH-RES-EVMS-CONRAD-USAID 7200AA20CA00030	Subaward under Eastern Virginia Medical School
10	PO21002408 Under USAID Award: 7200AA20CA00016	Subaward under Family Health International 360
11	WRHI-FHI-USAID- 7200AA21CA00011	Subaward under Family Health International 360
12	CLS-IAVI-USAID-A10334-AID-OAA-A-16-00032	Subaward under International AIDS Vaccine Initiative
13	LYNN MORRIS-IAVI-AID-OAA-A-16-00032	Subaward under International AIDS Vaccine Initiative
14	7200AA22CA00005 (AJ72-PHRU SMART4TB)	Subaward under Johns Hopkins University
15	WRHI-MAGEE-USAID- 7200AA22CA00002	Subaward under Magee Women's Research Institute and Foundation
16	PHRU-NAS-AID-OAA-A-11-00012 (2000013719)	Subaward under National Academy of Sciences
17	PHRU-NAS-AID-OAA-A-11-00012 (2000013808)	Subaward under National Academy of Sciences
18	HERO-USAID-72067422D00002 (closeout)	Subaward under Right to Care NPC
19	WDED - RIGHT TO CARE -USAID (closeout)	Subaward under Right to Care NPC
20	DMMH-RTCZ-USAID- 72061121C00006 (closeout)	Subaward under Right to Care Zambia
21	WRHI - WCG CARES-22010-203-440 (closeout)	Subaward under WCG Cares
22	HERO-USAID- AID-OAA-A-15-0070 9 (closeout)	Subaward under Right to Care
23	WRHI-RTI Subaward No: 2-312- 0217929-66358L Under AID.2134-01708763(closeout)	Subaward under RTI International