



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** January 30, 2024

**TO:** USAID/India Mission Director, Veena Reddy

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

**SUBJECT:** Financial Audit of Costs Incurred by the International Union Against Tuberculosis and Lung Disease Under Multiple Awards in India for the Year Ending December 31, 2022 (5-386-24-011-R)

This memorandum transmits the final audit report on the International Union Against Tuberculosis and Lung Disease in India (the Union)'s incurred costs under the following USAID awards:

Award Name (Type)	Award Number	Audit Period
iDefeat TB Project (Cooperative Agreement)	72038620CA00007	January 1 – December 31, 2022
Strengthening Communities and Accelerating Local Engagement Project (sub-grant)	PO23000469	December 1 – 31, 2022

The Union contracted with the independent audit firm Tarun Kandhari & Co LLP 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 continuing professional education or external quality control review programs that satisfy GAGAS 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 awards, laws, and regulations.<sup>1</sup>

<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.

The audit objectives were mainly 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 Union's internal controls; and (3) determine whether the Union complied with the award terms and applicable laws and regulations. To answer the audit objectives, the audit firm performed the financial audit that covered total costs of \$3,665,615 for the year ending 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 agreements for the period audited. The audit firm did not identify any questioned costs, any material instances of noncompliance, or any material internal control weaknesses. In addition, although we are not making a recommendation for the significant deficiency noted in the report, we suggest that USAID/India determine if the recipient addressed the issue noted.

During our desk review, we noted an area for improvement in the audit report and informed the controller in a memo dated January 30, 2024 to ensure the audit firm addresses the issue in future audit reports.

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).