



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

MEMORANDUM

DATE: September 13, 2022

TO: USAID/Peru Mission Director, Jene Thomas

FROM: USAID OIG Latin America and Caribbean (LAC) Regional Office, Senior Auditor, John Vernon /s/

SUBJECT: Financial Audit of the Support to COVID-19 Vaccination Project in Peru, Managed by Prisma Charity Association, Cooperative Agreement 72052721CA00003, March 17, 2021, to December 31, 2021 (9-527-22-029-R)

This memorandum transmits the final audit report on Support to COVID-19 Vaccination Project. Prisma Charity Association (PRISMA) contracted with the independent certified public accounting firm Rivera & Asociados to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards (GAGAS). However, it did not have a continuing education program that fully complied with GAGAS requirements or an external peer review because such program is not offered in Peru. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on PRISMA'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 PRISMA's internal controls; and (3) determine whether PRISMA complied with award terms and applicable laws and regulations. To answer the audit objectives, the audit firm reported that they assessed and tested the internal controls related to the project; assessed and tested compliance with applicable laws, regulations, the agreement's provisions; and reviewed project expenditures. The audit covered \$1,371,664 of USAID expenditures for the audited period.

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.

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 one material weaknesses in internal control related to delay in funds requests generating lack of liquidity for the project. The audit firm confirmed that the material weakness has been corrected; as a result, we are not making a recommendation related to this issue. The audit firm issued a management letter which included one minor internal control deficiency.

The audit firm did not identify any instances of material noncompliance with applicable laws, regulations, and agreement terms.

During our desk review, we noted several minor issues which the audit firm should consider when preparing future audit reports. We presented these issues in a memo to the controller, dated September 13, 2022.

Based on the results of the desk review, OIG is not making any recommendation to USAID/Peru.

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").