



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: January 10, 2024

TO: USAID/Indonesia Mission Director, Jeff P. Cohen

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

SUBJECT: Financial Audit of USAID Multiple Awards Managed by Yayasan Wahana Visi Indonesia, October 1, 2021, to September 30, 2022 (5-497-24-008-R)

This memorandum transmits the final report on the financial audit of the following USAID awards managed by Yayasan Wahana Visi Indonesia:

| Award Name (Type) | Award Number | Audit Period |
|---|---|--------------------------------------|
| KOLABORASI Project (Cooperative Agreement) | 72049722CA00004 | March 22, 2022 – September 30, 2022 |
| SINERGI II Project (Subaward from World Vision, Inc.) | 720BHA21GR00102 (USAID/World Vision U.S. Award Number) | October 1, 2021 – September 30, 2022 |

Yayasan Wahana Visi Indonesia contracted Johan Malonda Mustika & Rekan to conduct the audit. The audit firm stated it performed its audit in accordance with generally accepted government auditing standards (GAGAS) and the USAID Financial Audit Guide for Foreign Organizations. However, the audit firm disclosed that it did not have a continuing professional education program or an external quality control review program that fully satisfy GAGAS requirements. The audit firm indicated that professional organizations in Indonesia do not conduct quality control reviews. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Yayasan Wahana Visi Indonesia's schedule of expenditures; the effectiveness of its internal control; or its compliance with the agreements' terms, laws, and regulations.¹

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 objectives were mainly to: (1) express an opinion on whether the recipient's schedule of expenditures for the audited awards were presented fairly, in all material respects; (2) evaluate its internal controls; and (3) determine whether it complied with the awards terms and applicable laws and regulations. To answer the audit objectives, the audit firm performed the financial audit that covered total expenditures of \$1,346,407 for the audited period.

The audit firm concluded that the schedule of expenditure of USAID awards for the audited projects presented fairly, in all material respects, funds received, and costs incurred under the agreements for the audited period. The audit firm did not identify any questioned costs, material weaknesses in internal control or material instances of noncompliance. Further, the audit firm issued a management letter.

During our desk review, we noted an area for improvement that the audit firm will need to address in its future audit reports. We presented this deficiency in a memorandum to the controller dated January 10, 2024.

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.