



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

MEMORANDUM

DATE: June 14, 2024

TO: USAID/India Mission Director, Veena Reddy

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

SUBJECT: Financial Audit of Cleaner Air and Better Health Activity in India Managed by Council on Energy, Environment and Water, Cooperative Agreement 72038621CA00010, April 1, 2022, to March 31, 2023 (5-386-24-040-R)

This memorandum transmits the final audit report on the financial audit of subject project in India, under USAID award 72038621CA00010 managed by the Council on Energy, Environment and Water (CEEW) for the period April 1, 2022, to March 31, 2023.

CEEW contracted with the independent audit firm, Bansal & Co LLP to conduct the audit. The audit firm stated it performed its audit in accordance with generally accepted government auditing standards (GAGAS) and USAID Financial Audit Guide for Foreign Organizations. However, the audit firm disclosed that it did not have continuing professional education and external peer review programs that fully 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 award, laws, and regulations.¹

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 CEEW's internal controls related to the USAID-funded project; and (3) determine whether CEEW complied with the award terms and applicable laws and regulations. To answer the audit objectives, the audit firm conducted a financial audit that covered costs of \$1,242,275, for the audited period.

The audit firm concluded that the schedule of expenditures of USAID awards presented fairly, in all material respects, project revenues and costs incurred for the audited period. The audit

¹ 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 workpapers; they are not designed to enable us to directly evaluate the quality of the audit performed.

firm did not identify any questioned costs, material weaknesses in internal control nor material instances of noncompliance.

During our desk review, we noted areas for improvement that the audit firm will need to address in its future audit reports. We presented these deficiencies in a memorandum to the mission controller dated June 14, 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.