



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** August 27, 2024

**TO:** USAID/Bangladesh Mission Director, Reed J. Aeschliman

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

**SUBJECT:** Financial Audit of Bangladesh YouthRise Managed by BBC Media Action, Grant 72038821GR00002, April 1, 2022, to March 31, 2023 (5-388-24-045-R)

This memorandum transmits the final report on the financial audit of Bangladesh YouthRise, managed by BBC Media Action, Grant 72038821GR00002, for the period from April 1, 2022, to March 31, 2023. BBC Media Action contracted with the independent audit firm Sayer Vincent LLP to conduct the audit. The audit firm stated it performed the audit in accordance with Generally Accepted Government Auditing Standards and USAID Financial Audit Guide for Foreign Organizations. However, it did not have an external peer review or a continuing professional education program 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 auditee's schedule of expenditures; the effectiveness of its internal controls; or its compliance with the awards, laws, and regulations.<sup>1</sup>

The audit objectives were mainly to: (1) express an opinion on whether the schedule of expenditures for the period audited was presented fairly, in all material respects; (2) evaluate BBC Media Action's internal controls; and (3) determine whether BBC Media Action complied with the awards terms and applicable laws and regulations. To answer the audit objectives, the audit firm performed the subject financial audit that covered total costs of \$2,713,049 for the year ending March 31, 2023. Out of the total costs audited, \$1,061,787 pertained to USAID/Bangladesh funds under Bangladesh YouthRise.

The audit firm concluded that the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues and costs incurred under the awards for the period audited. The audit firm identified unsupported questioned costs amounting \$680, but it did not identify any material internal control weaknesses, or any material instances of noncompliance.

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<sup>1</sup> 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.

Since the questioned costs did not meet the OIG's established threshold of \$25,000 for making a recommendation, we are not making a recommendation. Nevertheless, we suggest that USAID/Bangladesh determine the allowability of the \$680 in questioned costs and recover any amount determined to be unallowable. The audit firm issued a management letter that had no material issues that required a recommendation.

The report does not contain 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 [oinotice\\_ndaa5274@usaid.gov](mailto:oinotice_ndaa5274@usaid.gov).