



MEMORANDUM

Date: March 13, 2019

TO: USAID/Management/Office of Acquisition and Assistance/Cost, Audit, and Support Division, Branch Chief, David A. McNeil

FROM: Director of External Financial Audits, Donell Ries /s/

SUBJECT: Title 2 CFR Part 200 Audit of The Global Alliance for TB Drug Development, Inc. for the Fiscal Year Ended December 31, 2015 (3-000-19-004-T)

This memorandum transmits the final audit report on The Global Alliance for TB Drug Development, Inc. (TB Alliance) under Title 2 United States Code of Federal Regulations (CFR) Part 200 for the fiscal year ended December 31, 2015. The audit report was obtained from the Federal Audit Clearinghouse. BDO USA, LLP performed the Title 2 CFR Part 200 audit.

The audit firm states it performed its audit in accordance with generally accepted government auditing standards and in accordance with Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on TB Alliance's financial statements; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.¹

The audit's objectives were to: (1) express an opinion on whether the financial statements as of December 31, 2015, were presented fairly, in all material respects; (2) express an opinion on whether the schedule of expenditures of federal awards as required by 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is fairly stated in all material respects; (3) describe the scope of testing of internal controls and compliance and the results of that testing; and (4) determine whether TB Alliance complied in all material respects with the types of compliance requirements that could have a direct and material effect on each of its major programs. TB Alliance's audited expenditures were \$4,393,010 and the U.S. Agency for International Development's audited expenditures were \$3,946,064 for the fiscal year ended December 31, 2015.

The audit firm expressed an unmodified opinion on the financial statements. Additionally, the audit firm determined that the schedule of expenditures of federal awards was fairly stated in all material respects and that TB Alliance complied, in all material respects, with the types of

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.

compliance requirements that could have a direct and material effect on each of its major federal programs. The audit report did not disclose any findings or questioned costs.

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").