



## MEMORANDUM

**DATE:** October 22, 2021

**TO:** USAID/Vietnam Mission Director, Ann Marie Yastishock

**FROM:** USAID OIG Asia Regional Office USDH NFA Coordinator, James C. Charlifue /s/

**SUBJECT:** Financial Audit of The Centre for Promotion of Quality of Life Under Multiple USAID Awards in Vietnam, January 1 to December 31, 2020 (5-440-22-001-R)

This memorandum transmits the final audit report on the following awards managed by The Centre for Promotion of Quality of Life (Life Centre):

Award Name	Award Number	Period	Award Type
USAID Enhanced Community HIV Link - Southern Program	AID-440-A-16-00004	January 1 - December 31, 2020	Cooperative Agreement
USAID Healthy Markets	AID.1913-00990308-SUB	January 1 - December 31, 2020	Cooperative Subagreement with PATH

Life Centre contracted with the independent certified public accounting firm of Mazars Vietnam Co., Ltd. to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards and the USAID Financial Audit Guide for Foreign Organizations. However, the audit firm disclosed that it did not have (1) an external independent peer review because this is not offered in Vietnam, and (2) a continuing education program that fully satisfies the standards' requirements. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Life

Centre's schedule of expenditures of USAID awards (SEFA);<sup>1</sup> the effectiveness of its internal control; or its compliance with the award, laws, and regulations.<sup>2</sup>

The audit objectives were to (1) express an opinion on whether Life Centre's schedule of expenditures of USAID awards for the period audited was presented fairly, in all material respects; (2) evaluate Life Centre's internal controls; and (3) determine whether Life Centre complied with agreement terms and applicable laws and regulations (including cost-sharing contributions). To answer the audit objectives, the audit firm examined the schedule of expenditures of USAID awards and its supporting documents; evaluated Life Centre's internal control system and assessed all related risks; and tested compliance with agreement terms and applicable laws and regulations. The audit covered project revenues and costs of \$1,129,560 and \$1,118,202, respectively, from January 1 to December 31, 2020.

The audit firm concluded that the schedule of expenditures of USAID awards presented fairly, in all material respects, project revenues and costs incurred under the agreements for the periods audited. The audit firm did not identify any questioned costs, material weaknesses in internal control, or material instances of noncompliance. Regarding cost-sharing, which was required under the subagreement, the audit firm reported that Life Centre contributed \$22,522 for the period audited. The audit firm did not report any questioned costs on these contributions.

The report does not include any recommendations.

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").

Attachment: a/s

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<sup>1</sup> On August 6, 2021, USAID updated its USAID Guide. This audit followed the previous USAID Guide version (March 4, 2019) because this was applicable at the time of the audit. Under the updated USAID Guide, the "fund accountability statement" is now called "schedule of expenditures of USAID awards."

<sup>2</sup> We reviewed the audit 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 audit firm's supporting working papers; they are not designed to enable us to directly evaluate the quality of the audit performed.