



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: November 2, 2021

TO: USAID Bureau for Africa, Development Coordinator to Power Africa, Mark Carrato
USAID/Lebanon, Mission Director, Mary Eileen Devitt

FROM: USAID OIG Africa Regional Office, Audit Director, Robert Mason /s/

SUBJECT: Financial Audit of USAID Resources Managed by Tony Blair Institute in Multiple Countries Under Multiple Awards, January 1 to December 31, 2020 (Report No. 4-698-22-014-R)

This memorandum transmits the final audit report on USAID resources managed by Tony Blair Institute (TBI) for the following awards:

Award Name (Type)	Award Number	Audit Period	Prime Implementer
Power Africa Senior Advisory Group Project – Western and Eastern Africa (cooperative agreement)	AID-623-A-14-00001	Jan. 1 – Dec. 31, 2020	TBI
Religious and Ethnic Minorities Youth Dialogue Councils – Lebanon (grant)	720OAA19GR00002	Jan. 1 – Dec. 31, 2020	TBI
AGRA-TBI Partnership on Catalyzing Agriculture Transformation – Ghana, Mozambique, and Nigeria (subaward)	2019 RE0011	May 1 – Dec. 31, 2020	Alliance for a Green Revolution in Africa

TBI contracted with the independent certified public accounting firm BDO LLP, London, United Kingdom to conduct the audit. The audit firm stated that it performed its audit in accordance with generally accepted government auditing standards (GAGAS). However, it did not have continuing professional education and an external peer review that fully satisfied the requirements of GAGAS. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on TBI's fund accountability statement; the effectiveness of its internal control; or its compliance with the award, laws, and

regulations.¹

The audit objectives were to (1) express an opinion on whether the fund accountability statement for the period audited was presented fairly, in all material respects; (2) evaluate TBI's internal controls; (3) determine whether TBI complied with award terms and applicable laws and regulations; and (4) review the implementation status of the prior period recommendations.

To answer the audit objectives, BDO LLP (1) audited the fund accountability statement for the award including the budgeted amounts by category and major items and the revenues received from USAID for the period covered by the audit and the costs reported by TBI as incurred from January 1 to December 31, 2020; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to TBI's ability to report financial data consistent with the assertions embodied in each account of the fund accountability statement; (3) identified the award terms and pertinent laws and regulations and determined which of those, if not observed, could have a direct and material effect on the fund accountability statement; and (4) reviewed the implementation status of the prior period recommendations. TBI reported expenditures of \$1,283,903 in USAID funds during the audited period.

The audit firm concluded the fund accountability statement presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. The audit firm identified \$4,019 in total questioned costs (\$3,904 ineligible and \$115 unsupported); no material weaknesses in internal control; and no instances of material noncompliance. 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 Bureau for Africa/Power Africa and USAID/Lebanon determine the allowability of the \$1,883 and \$2,136 in questioned costs, respectively, and recover any amount determined to be unallowable. In addition, although we are not making a recommendation for the three significant deficiencies noted in the report, we suggest that USAID Bureau for Africa/Power Africa determine if the recipient addressed the first two issues noted on pages 27-30 of the report, and USAID/Lebanon determine if the recipient addressed the remaining significant deficiency on pages 31-32.

Accordingly, we are not making 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

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.

Exemption Four, 5 U.S.C. 552(b)(4) (“commercial or financial information obtained from a person that is privileged or confidential”).