



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

MEMORANDUM

DATE: March 4, 2022

TO: USAID/India Mission Director, Veena Reddy

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

SUBJECT: Audit of the Schedule of Expenditures of the Safe Water Network India, Sustainable Enterprises for Water and Health Program, Cooperative Agreement 72038620CA00003, April 1, 2020, to March 31, 2021 (5-386-22-011-R)

This memorandum transmits the final report on the audit of the schedule of expenditures of the Safe Water Network India, Sustainable Enterprises for Water and Health program, cooperative agreement 72038620CA00003, from April 1, 2020, to March 31, 2021. Safe Water Network India contracted with the independent certified public accounting firm Bansal & Co. LLP to conduct the audit. The audit firm stated that it performed its audit in accordance with Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States and the USAID Financial Audit Guide for Foreign Organizations. However, it did not have an external quality control review program or a continuing education program that fully satisfies the standards' requirements. The audit firm explained that their external quality control review did not meet all GAGAS requirements, nor did their staff receive all of the GAGAS required continuing education hours. 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 control; or its compliance with the award, laws, and regulations.¹

The audit objectives were to: (1) express an opinion on whether the schedule of expenditures for the period audited was presented fairly, in all material respects; (2) evaluate the auditee's internal controls; and (3) determine whether the auditee complied with the award terms and applicable laws and regulations. To answer the audit objectives, the audit firm performed the

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.

subject financial audit that covered \$948,731 in expenditures from April 1, 2020, to March 31, 2021.

The auditors expressed an unmodified opinion on the schedule of expenditures and did not identify any questioned costs. They also did not identify any material weaknesses in the internal control system or any material instances of noncompliance with laws and regulations and the agreement terms.

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").