

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

**COVID 19: Audit of
USAID's Use of PEPFAR
Funds for COVID-19
Response**

Audit Report 4-936-24-003-U
April 3, 2024





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

MEMORANDUM

DATE: April 3, 2024

TO: Bureau for Global Health, Assistant Administrator, Dr. Atul Gawande

FROM: Africa Regional Office, Audit Director, Rob Mason /s/

SUBJECT: COVID 19: Audit of USAID's Use of PEPFAR Funds for COVID-19 Response (4-936-24-003-U)

Enclosed is the final audit report on USAID's use of U.S. President's Emergency Plan for AIDS Relief (PEPFAR) funds for COVID-19 response. The Office of Inspector General (OIG) contracted with the independent certified public accounting firm of Williams, Adley & Company-DC LLP (Williams Adley) to conduct a performance audit. The contract required the audit firm to perform the audit in accordance with generally accepted government auditing standards.

In carrying out its oversight responsibilities, OIG reviewed the audit firm's report and related audit documentation and discussed the findings with the firm's representatives. The audit firm is responsible for the enclosed report and conclusions. That said, we found no instances in which Williams Adley failed to comply, in all material respects, with applicable standards.

The audit objectives were to determine the extent to which (1) USAID adapted PEPFAR funds to support COVID-19 activities; (2) adaptations were developed and submitted in accordance with applicable agency and interagency (U.S. Department of State) procedures; and (3) adaptations were reviewed and approved to ensure that they were compatible with overall PEPFAR goals. Adaptations, according to U.S. Department of State guidance, were programmatic changes to ensure that people living with HIV received the care they needed during the COVID-19 pandemic.

To answer the audit objectives, the audit firm assessed USAID guidance and directives; reviewed documentation related to the specific adaptation requests of PEPFAR funds for COVID-19 activities; performed walkthroughs with USAID's Bureau for Global Health; and spoke with U.S. Department of State officials, USAID mission personnel, and select USAID-funded organizations (commonly referred to by USAID as implementers). Williams Adley also performed field work in 12 countries where USAID adapted PEPFAR funding totaling nearly \$10.3 million. The field work took place between October 2022 and September 2023.

According to the U.S. Department of State, USAID had adapted nearly \$20.3 million worldwide in PEPFAR funds as of June 2023 to support COVID-19 activities. However, the audit firm was unable to confirm the completeness of the data comprising the \$20.3 million total for USAID

provided by the U.S. Department of State, and thus the audit firm was unable to reach a conclusion on the extent to which USAID adapted PEPFAR funds for COVID-19 activities. However, the audit firm found that USAID developed and submitted proposed adaptations in accordance with USAID and interagency (U.S. Department of State) guidance and instructions. Moreover, the audit firm found that adaptations were reviewed and approved to ensure compatibility with the U.S. Department of State's priorities for use of PEPFAR funds during the COVID-19 pandemic: ensuring the continuity of HIV treatment and prevention services; leveraging health systems supported by PEPFAR to strengthen country COVID-19 response; ensuring the safety of PEPFAR-supported clients and health care workers; and providing flexibility to PEPFAR officials to consider COVID-19-related needs while seeking to achieve the best possible HIV outcomes. As a result, we have no recommendations.

We appreciate the assistance provided to our staff and the audit firm's employees during the engagement.



USAID
FROM THE AMERICAN PEOPLE

US Agency for International Development

Audit of USAID's Use of PEPFAR Funds for COVID-19

March 26, 2024





March 26, 2024

Ms. Toayoa Aldridge
Assistant Inspector General for Audits, Inspections, and Evaluations
Office of Inspector General
U.S. Agency for International Development

Dear Ms. Aldridge:

Williams, Adley & Company-DC, LLP performed an audit of US Agency for International Development's (USAID) Use of U.S. President's Emergency Plan for AIDS Relief (PEPFAR) Funds for COVID-19. We performed the audit in accordance with our Task Order No. 72001G22R00006, dated September 13, 2022. Our report presents the results of the audit.

We conducted our audit in accordance with applicable Government Auditing Standards, 2018 revision, technical update April 2021. The audit was a performance audit, as defined by Chapter 8 of the Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The objectives of the audit were to determine:

- To what extent has USAID adapted PEPFAR funds to support COVID-19 activities?
- To what extent were adaptations developed and submitted in accordance with applicable agency and inter-agency procedures?
- To what extent are adaptation requests consistent with PEPFAR's stated COVID-19 priorities and other relevant guidance?

To accomplish our objectives, we interviewed personnel from USAID Bureau for Global Health as well as Mission personnel. We were unable to ensure the completeness of the \$20.3 million in adaptations because data on adaptations was maintained by the Department of State and we found errors in this information, resulting in a scope limitation. We also reviewed documentation related to the specific adaptation requests for compliance and approvals. We conducted fieldwork from October 2022 through September 2023. Appendix I provides a more detailed description of our objectives, scope, and methodology. We appreciate the opportunity to have conducted this audit. Should you have any questions or need further assistance, please contact us at (202) 371-1397.

A handwritten signature in cursive script that reads 'Leah Southers'.

Leah Southers, CPA, CISA, CGFM, CFE
Partner

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RESULTS IN BRIEF

We conducted an independent performance audit of USAID’s use of the U.S. President’s Emergency Plan for AIDS Relief (PEPFAR) Funds for COVID-19. Our objectives were to determine the extent to which USAID adapted PEPFAR funds to support COVID-19 activities; developed and submitted proposed adaptations in accordance with applicable guidance and instructions; and reviewed and approved adaptation requests for compatibility with PEPFAR goals.

According to the Department of State Bureau of Global Health Security and Diplomacy PEPFAR Office (GHSD/PEPFAR), USAID has adapted nearly \$20.3 million in PEPFAR funds as of June 2023 to mitigate the effects of COVID-19 on PEPFAR activities and results. “Adaptations,” according to State Department guidance, were programmatic changes to ensure that people living with HIV received the care they needed during the COVID-19 pandemic. We found that USAID developed and submitted proposed adaptations in accordance with State Department guidance and instructions. Moreover, we found that the adaptations were compatible with the Department of State’s priorities for use of PEPFAR funds during the COVID-19 pandemic: ensuring the continuity of HIV treatment and prevention services; leveraging health systems supported by PEPFAR to strengthen country COVID-19 response; ensuring the safety of PEPFAR-supported clients and health care workers; and providing flexibility to PEPFAR officials to consider COVID-19-related needs while seeking to achieve the best possible HIV outcomes. However, we were unable to confirm the completeness of the data provided by the Department of State on USAID’s adaptations, resulting in a scope limitation. For example, we found one approved adaptation for \$4.6 million made in January 2021 that was not included in the data provided by the State Department. Other Missions outside our sample may have also made adaptations that were not reflected in the Department of State data.

BACKGROUND

USAID is a U.S. international development and disaster assistance agency that works in over 130 countries to promote global health, support global stability, provide humanitarian assistance, catalyze innovation and partnership, and empower women and girls. Established in 1961, USAID’s work advances U.S. foreign policy, demonstrates American generosity, and supports partners to become self-reliant. USAID’s mission is to promote democratic values abroad and advance a free, peaceful, and prosperous world. USAID is headed by an Administrator appointed by the President and confirmed by the Senate. USAID manages more than \$25 billion in combined annual appropriations. USAID plays a key role in the U.S. government’s global response to the COVID-19 pandemic and its secondary impacts.

The U.S. COVID-19 Global Response and Recovery Framework (“Framework”) that was published in July 2021 outlines the U.S. government’s lines of effort with the overarching goal to end the COVID-19 pandemic around the world, mitigate its impacts, support the global recovery, and strengthen international readiness for future biological threats. The Framework contains the following objectives:

- I. Accelerate widespread and equitable access to and delivery of safe and effective COVID-19 vaccinations.

2. Reduce morbidity and mortality from COVID-19, mitigate transmission, and strengthen health systems, including to prevent, detect, and respond to pandemic threats.
3. Address acute needs driven by COVID-19, mitigate household shocks, and build resilience.
4. Bolster economies and other critical systems under stress due to COVID-19 to prevent backsliding and enable recovery.
5. Strengthen the international health security architecture to prevent, detect, and respond to pandemic threats.

The overall objectives of the national COVID-19 response were applied to the PEPFAR activities through the Department of State's *PEPFAR Technical Guidance in Context of COVID-19 Pandemic*, updated January 2022, that focused on the following priorities: (1) ensuring the continuity of HIV treatment and prevention services; (2) leveraging country health systems and infrastructure supported by PEPFAR to strengthen country COVID-19 response; (3) ensuring the safety of PEPFAR-supported clients and health care workers; and (4) extending flexibility to PEPFAR country teams within PEPFAR's mandates and authorities to take into account COVID-19-related needs while seeking to achieve the best possible HIV outcomes.

Audit Background

PEPFAR focuses on advancing global progress toward controlling the HIV epidemic and promoting the continuity of lifesaving HIV prevention, care, and treatment services. Although the program is active in over 50 countries, most PEPFAR activities center on a group of 25 countries that comprise roughly 65 percent of people living with HIV. In addition to its core HIV activities, PEPFAR also invests in health systems strengthening projects such as training healthcare workers and bolstering laboratory capability. PEPFAR's lifesaving efforts are guided by country or regional operating plans.

The Department of State, Bureau of Global Health Security and Diplomacy, established August 1, 2023, includes functions previously performed by the Office of U.S. Global AIDS Coordinator (S/GAC)¹, such as overseeing PEPFAR implementation across multiple agencies, including USAID, to include the process and systems for approving original and revised budgets. Within USAID's Bureau for Global Health, the Office of HIV/AIDS leads USAID's efforts to control the HIV/AIDS epidemic, working in close collaboration with Missions and other bureaus within the Agency. The Office of HIV/AIDS's mandate is to provide both technical support to the field and technical leadership within USAID, PEPFAR, and the global HIV/AIDS community.

COVID-19 introduced challenges to PEPFAR. COVID-19 posed a greater risk to populations with underlying health conditions and caused disruptions in health systems that PEPFAR utilized, affecting access to and continuity of critical medications, care, and other services. In response, PEPFAR programs sought to mitigate the negative impacts of COVID-19 while allowing critical health services to safely continue. Guidance issued by S/GAC made it clear that there would be no attempts to convert PEPFAR into a broad-scale COVID-19 support program, or to

¹ During the pandemic and through most of our audit period the responsible office was the State Department's Office of the Global AIDS Coordinator. We will use S/GAC throughout this audit report because it is appropriate for the audit time period.

substantially change PEPFAR programming for the sole purpose of supporting a national COVID-19 response. The guidance stressed that PEPFAR appropriations must be used for HIV activities per congressional authorization.

To ensure that PEPFAR funds were used appropriately, S/GAC developed both budget and technical guidance for the adaptation of program funds. According to S/GAC, COVID-19 activities were to be implemented in accordance with existing PEPFAR country and regional operating plans. If certain PEPFAR activities were delayed or unable to be implemented given the pandemic, programs were expected to decrease expenditures rather than expand COVID-19 efforts. If slight modifications were required to ensure the continuation of HIV service in the context of COVID-19, the country teams were required to consult S/GAC's *PEPFAR Technical Guidance in Context of COVID-19 Pandemic* to ensure that the planned activities were following this guidance. S/GAC identified four priority areas for COVID-19 activities: (1) ensuring the continuity of HIV treatment and prevention services; (2) leveraging country health systems and infrastructure supported by PEPFAR to strengthen country COVID-19 response; (3) ensuring the safety of PEPFAR-supported clients and health care workers; and (4) extending flexibility to PEPFAR country teams within PEPFAR's mandates and authorities to take into account COVID-19-related needs while seeking to achieve the best possible HIV outcomes.

Proposed adaptations to activities were shared with all agencies that were part of a given PEPFAR operating unit to ensure that there was agreement that the changes proposed are the best way to adapt the country program in the context of the COVID-19 pandemic. Disagreement amongst the PEPFAR country team on a proposed set of adaptations that could not be resolved at the country level were flagged for the relevant S/GAC Chair and the PEPFAR Program Manager.

AUDIT RESULTS

According to S/GAC, USAID adapted over \$20.3 million in PEPFAR funds to mitigate the effects of COVID-19 on PEPFAR activities. We tested a judgmental sample of \$10.3 million and found that the adaptations were developed and submitted in accordance with applicable guidance and were compatible with PEPFAR's priority areas. However, we were unable to confirm the completeness of the data provided by S/GAC resulting in a scope limitation. For example, we found one approved adaptation for \$4.6 million made in January 2021 that was not included in the data provided by S/GAC. Other Missions outside our sample may have also made adaptations that were not reflected in the S/GAC data.

Audit Objective 1 – Extent of Adaptations of PEPFAR Funds to Support COVID-19 Activities

Most adaptations were performed by the Missions in the early months of the pandemic, from March to September 2020. Based upon the interviews and testing performed, the adaptations followed the directions of S/GAC.

We requested S/GAC data on adaptations made by USAID. In June 2023, S/GAC provided information that showed 31 Missions had made adaptations amounting to roughly \$20.3 million from March to September 2020. The adaptations were used for a limited period prior to the issuance of COVID-19 supplemental funding and the American Rescue Plan Act of 2021 funding. Once these larger funding streams became available, those streams were generally used instead of adapting existing PEPFAR funds, although adaptations were still permitted.

Prior to receiving S/GAC's data, we selected twelve Missions that received PEPFAR funding to determine if the Missions performed adaptations (see table below). Four of the twelve missions reported to us adaptations totaling \$8.2 million and provided supporting documentation for those adaptations. This documentation included proposals, approval emails, work plans, and spreadsheets. As a best practice, the USAID Mission in South Africa developed an internal policy and a tracking spreadsheet to monitor adaptations. The other eight Missions either initially informed us that no adaptations had been performed or directed us to S/GAC for information on the adaptations that the Mission had performed.

Per the S/GAC list, the twelve Missions had adaptations totaling \$10.3 million. Of the eight missions mentioned above that had indicated "No" or "check with S/GAC" to our initial inquiry (see orange highlighted missions in Table I below), four missions had performed adaptations totaling \$4 million. We inquired of the Missions about the information provided by S/GAC and they provided the supporting applicable documentation for testing.

However, we also obtained evidence that the S/GAC data was incomplete and possibly inaccurate. For example, the data from S/GAC for South Africa erroneously included other agencies' funding and omitted an approved adaptation for \$4.6 million made by the Mission in January 2021. Because we only tested a judgmental sample of the S/GAC data, the errors cannot be projected to the remaining population. Therefore, we were unable to confirm the completeness of the data provided by S/GAC resulting in a scope limitation.

Table I: Countries Selected for Testing and Adaptation Amounts

Country	Adaptation Per Initial Mission Response Yes or No	Mission Amount	SGAC Amount	Difference	Notes
Eswatini	No	-	502,247	(502,247)	1
South Africa	Yes	7,193,650	5,199,383	1,994,267	2
Indonesia	Yes	150,000	150,000	-	
Phillipinnes	No	-	-	-	
Malawi	No	-	-	-	
Vietnam	No	-	-	-	
Dominican Republic	No	-	480,863	(480,863)	1
Mozambique	No answer referred us to S/GAC		2,852,938	(2,852,938)	1
Lesotho	Yes	93,000	188,672	(95,672)	1
Ghana	No	-	-	-	
Senegal	No	-	150,000	(150,000)	1
Tanzania	Yes	762,350	762,350	-	
	Totals	8,199,000	10,286,453	(2,087,453)	
Total of All Adaptations per S/GAC			20,265,555		
<p>1. After follow up, the mission provided supporting documentation for the adaptations per the S/GAC listing. At the time of this report, the Dominican Republic could only provide support for \$305,863 of the \$408,863. We are unable to ascertain whether this was a result of missing documentation or an error in S/GAC data.</p> <p>2. The difference is attributable to incorrect S/GAC provided data that included multiple agencies and a \$4,574,507 adaptation that was S/GAC approved but not in the data provided. We were able to reconcile the information because this mission tracked all adaptations and expenditures.</p>					

Audit Objective 2 – Adaptations were Developed and Submitted in Accordance with Applicable Agency and Inter-agency Procedures

We determined based on our testing of \$10.3 million in adaptations that the adaptations were developed and submitted in accordance with the applicable State Department policies, procedures, and instructions.

The Missions' health offices received instructions from S/GAC via their PEPFAR Coordinating Office on the various activities that the PEPFAR funding could be used to support in the context of the COVID-19 pandemic.² Those health offices, in consultation with other PEPFAR implementing agencies such as the Centers for Disease Control and Prevention, Department of Defense, and Peace Corps, determined whether they would submit a proposal for approval based upon funding availability, needs expressed by their government partners, PEPFAR COVID-19 goals, and any information from implementing partners on community needs.

Most of the Missions in our sample relied exclusively on S/GAC guidance to adapt PEPFAR funds in the context of the COVID-19 pandemic. South Africa, however, established internal policies and procedures to complement the instructions provided by S/GAC. These procedures included a tool to track the purpose and number of adaptations. According to the Mission's Health Office Director, the U.S. Global AIDS coordinator was in South Africa when the pandemic started, and the Mission developed several adaptation proposals under her guidance. In addition, the Mission had already received requests from the South African government and other organizations that were already receiving PEPFAR assistance. It is important to note that South Africa has one of the largest PEPFAR staff footprints and therefore these additional procedures would most likely not have been reasonable for all Missions.

Also based upon our interview about adaptations with the South Africa Mission Health Office, officials expressed that:

1. The Health Office was the primary driver for making requests for adaptations. They received the instructions and technical policy from S/GAC.
2. The requests were based upon knowledge gained from participating in regional meetings with local and host country government officials, U.S. government agencies, and other interested parties.
3. The Mission prepared the adaptation proposal, which was then approved by the Mission Director and sent to S/GAC for final approval.

² Internal USG Budget Guidance for PEPFAR Programs within the Context of COVID-19

Audit Objective 3 – Adaptation Requests Were Consistent with PEPFAR’s Stated COVID-19 Priorities and Other Relevant Guidance

The S/GAC instructions provided the requirements for approval within the Agency and at the State Department. All proposals were prepared by Mission personnel, approved within the Mission’s health office, and submitted to S/GAC for approval. No additional approvals or routing were required. The State Department’s approval was to ensure that the request was in line with defined priorities. After approval, Missions worked with the implementing partners to ensure that the activities were implemented as approved.

For the eight Missions with adaptations, we requested supporting documentation to ensure that the activities were approved. We also examined the descriptions of the activities to determine if they were consistent with the PEPFAR COVID-19 pandemic goals as outlined in the *PEPFAR Technical Guidance in Context of COVID-19 Pandemic*.

We concluded that the activities were reviewed, approved, and compatible with PEPFAR goals.

APPENDIX I: OBJECTIVES, SCOPE, CRITERIA AND METHODOLOGY

Engagement Objectives

Our engagement was designed to accomplish the following objectives:

- To what extent has USAID adapted PEPFAR funds to support COVID-19 activities?
- To what extent were adaptation actions developed and submitted in accordance with applicable agency and inter-agency procedures?
- To what extent are adaptation requests consistent with PEPFAR’s stated COVID-19 priorities and other relevant guidance?

This performance audit was performed in accordance with Government Auditing Standards, also known as generally accepted government auditing standards (GAGAS), issued by the Comptroller General of the United States ([GAO-21-368G](#)), general and performance audit chapters.

Scope

Our scope was USAID’s adaptations of PEPFAR funds in the context of the COVID-19 pandemic. Specifically, how USAID adapted funds to support COVID-19 activities in the context of PEPFAR’s integrated/inter-agency programs and communities.

Criteria

To accomplish the objective of the audit, Williams Adley identified the following criteria against which to assess USAID’s PEPFAR adaptations:

- PEPFAR Technical Guidance in Context of COVID-19 Pandemic
- Internal USG Budget Guidance for PEPFAR Programs within the Context of COVID-19
- PEPFAR’s HIV Response in the Context of Coronavirus Disease 2019 (COVID-19)
- National Strategy for the COVID-19 Response and Pandemic Preparedness
- Internal Mission Standard Operating Procedures for COVID-19 Response
- USAID Operational Policy (ADS)

Methodology

We met with USAID Global Health management and the USAID Office of Inspector General to conduct an entrance conference. We inquired about investigations or legal proceedings involving the audit objective and reviewed the applicable internal policies and procedures.

We reviewed agency directives, such as the USAID Operational Policy (ADS), Mission guidance and interagency guidance and instructions provided by S/GAC. We performed walkthroughs with Global Health and select Mission personnel.

APPENDIX I: OBJECTIVES, SCOPE AND METHODOLOGY

We requested from the Bureau for Global Health a population of PEPFAR adaptations made in the context of the COVID-19 pandemic. Global Health requested that we obtain the data from S/GAC, which provided the governing instructions and final approval of the adaptations made by the Agency. USAID was not required to establish its own organization-wide tracking system for the adaptations, thereby creating an audit scope limitation that resulted in us requesting information from the State Department to provide insight into the adaptations.

While awaiting the requested information we judgmentally selected twelve countries for testing based upon other COVID-19 funding provided. See our Country Selection Methodology in [Appendix 2](#). In June 2023, we obtained the population of adaptations from S/GAC and compared it to the information provided by the Missions for the selected twelve countries. The data did not agree in all cases and thus resulted in a limitation on the accuracy and completeness of the data provided by S/GAC.

We interviewed Mission personnel and requested supporting documentation, such as proposals, workplans, and approval emails, for the adaptations made.

We assessed the reliability of the data provided by (1) performing testing of certain data elements, (2) reviewing existing information about the data, and (3) interviewing Agency and implementer officials knowledgeable about the data. In addition, we traced a sample of data to source documents. We determined the data was sufficiently reliable for the purposes of this report.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

APPENDIX 2: COUNTRY SELECTION METHODOLOGY

Our contract with U.S. Agency for International Development Office of Inspector General required us to conduct six separate audits of American Rescue Plan Act of 2021 (ARPA) funding notified under various Congressional Notifications (CN) and PEPFAR (herein referred to as “funding streams”):

- CN #16 – Oxygen Ecosystem
- CN #18 – Vaccine Readiness
- CN #41 – Rapid Response (2)
- CN #164 – Global Health Security
- CN #165 – Rapid Response (1)
- ARPA PEPFAR

Although this audit is not focused on ARPA funds, it was included as part of the six-audit contract.

For efficiency, we utilized a holistic approach to country selection, taking into consideration which countries would allow us to perform testing for multiple audits in one visit. Therefore, countries that received fundings under numerous funding streams were more likely to be selected than those who received small amounts of funding under one funding stream.

To determine which countries would be selected for in-person or virtual visits, we obtained a universe of the countries receiving support from funds notified in CNs #16, 18, 41, 164, 165, as well as ARPA PEPFAR. We then utilized the following data points to determine which locations to visit:

- **Travel Advisories.** Countries that received a State Department Travel Advisory rating of *3-Reconsider Travel* or *4-Do Not Travel* were excluded from our sample selection.
- **Received Funding Under At Least One Allocation.** To be eligible the country must have received support from funds notified in CNs 164, 165, 41, 18, 16, or ARPA PEPFAR.
- **Total Dollar Amount Allocated.** We obtained a listing of allocations by country for funds notified in each CN and ARPA PEPFAR. Countries that received the highest amount of total support were more likely to be selected.
- **Total Number of CNs and ARPA PEPFAR Allocations.** To ensure our sample of countries is sufficient to achieve our audit objectives for all six audits under our contract, we gave greater weight to countries that received support from funding notified in multiple CNs and ARPA PEPFAR.
- **Whether the Mission Oversaw a Non-Presence Country.** We received a listing of non-presence countries from Global Health and the Mission that was responsible for their oversight. Missions that oversaw activities in non-presence countries had a higher probability of being selected.

Our country selection yielded 16 countries, of which 12 countries were judgmentally selected for testing based on the sites to be visited by other COVID-19 audits conducted by Williams Adley. The 12 countries are listed in Table I under Objective I.

APPENDIX 3: MANAGEMENT RESPONSE



USAID
FROM THE AMERICAN PEOPLE

TO: Rob Mason, Audit Director, USAID OIG Africa Regional Office

FROM: Dr. Atul Gawande, Assistant Administrator, Bureau for Global Health /s/

DATE: February 27, 2024

SUBJECT: Management Comment(s) to Respond to the Draft Audit Report

Produced by the Office of the Inspector General (OIG) titled, Audit of USAID’s Use of PEPFAR Funds for COVID-19 Response (4-936-24-003-U) (Task No. 441V0922)

The U.S. Agency for International Development (USAID) would like to thank the Office of the Inspector General (OIG) for the opportunity to respond to this final report which contains no recommendations for the Agency. USAID appreciates the extensive work of the OIG’s engagement team, and the specific findings that will help USAID capitalize on lessons learned during the COVID-19 pandemic and achieve greater effectiveness during future pandemics.

For more than half a century, the United States has been the largest contributor to global health security and humanitarian assistance. Investments by USAID and other U.S. Government Departments and Agencies in global health substantially advance U.S. foreign-policy and national-security interests by protecting Americans at home and abroad, promoting social and economic progress, and supporting the rise of capable partners better able to solve regional and global problems.

USAID agrees with the audit conclusions that USAID developed and submitted proposed adaptations in accordance with applicable Agency and State Department guidance, and that adaptation requests were reviewed and approved for compatibility with overall PEPFAR goals and the State Department’s priorities for use of PEPFAR funds during the COVID-19 pandemic. Under extraordinary circumstances during the COVID-19 pandemic, USAID Global Health and Mission HIV teams worked diligently to ensure that people living with HIV received the care they needed, including life-saving treatment. USAID rapidly adapted programs to introduce and scale interventions like multi-month dispensing of HIV drugs and digital health tools to continue critical health services and reduce risk of COVID-19 transmission to people living with HIV.