



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

### MEMORANDUM

**DATE:** April 22, 2025

**TO:** USAID/Indonesia Mission Director, Jeff P. Cohen

**FROM:** Asia Regional Office, Audit Assistant Director, Rhonda M. Horried /s/

**SUBJECT:** Financial Audit of USAID Multiple Awards Managed by Yayasan Project HOPE in Indonesia, October 26, 2022, to December 31, 2023 (5-497-25-024-R)

This memorandum transmits the final report on the financial audit of the following USAID awards managed by Yayasan Project HOPE:

Award Name (Type)	Award Number	Audit Period
Prevent TB (Cooperative Agreement)	72049722CA00006	October 26, 2022 – December 31, 2023
TB Mind Asia (Cooperative Agreement)	7200AA23CA00003	March 17 – December 31, 2023

Yayasan Project HOPE contracted with the independent audit firm, Tanubrata Sutanto Fahmi Bambang & Rekan to conduct the audit. The audit firm stated it performed its audit in accordance with generally accepted government auditing standards (GAGAS). However, the audit firm disclosed that it did not have continuing professional education and external peer review programs that fully satisfy GAGAS requirements. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on the recipient's schedule of expenditures of USAID awards; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.<sup>1</sup>

The audit objectives were mainly to (1) express an opinion on whether Yayasan Project HOPE's schedule of expenditures of USAID awards for the period audited was presented fairly, in all material respects; (2) evaluate Yayasan Project HOPE's internal controls related to the USAID-funded project; and (3) determine whether Yayasan Project HOPE complied with the award terms

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<sup>1</sup> We reviewed the audit firm's report for conformity with professional reporting standards. Our desk reviews are typically performed to identify items that need clarification or issues that require management attention. Desk reviews are limited to review of the audit report itself and exclude review of the auditor's supporting workpapers; they are not designed to enable us to directly evaluate the quality of the audit performed.

and applicable laws and regulations. To answer the audit objectives, the audit firm conducted a financial audit that covered costs of \$796,148 for the audited period.

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 agreement for the period audited except for \$42,764 ineligible questioned costs. The audit firm did not identify any material internal control weaknesses but identified seven material instances of noncompliance. The audit firm issued a management letter that had no material issues that required a recommendation.

To address the issues identified in the report, we recommend that USAID/Indonesia:

**Recommendation 1.** Determine the allowability of \$42,764 ineligible questioned costs, as detailed on pages 25 to 37 of the audit report and recover any amount that is unallowable.

**Recommendation 2.** Verify that Yayasan Project HOPE corrects the seven instances of material noncompliance detailed on pages 25 to 37 of the audit report.

We ask that you provide your written notification of actions planned or taken to reach management decision.

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”). In addition, USAID OIG has determined that this transmittal memo and the enclosed report are not subject to notification and reporting requirements under Section 5274 of the National Defense Authorization Act.<sup>2</sup>

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<sup>2</sup> The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 Pub. L. No. 117-263, § 5274. Please direct related inquiries to [oignotice\\_ndaa5274@usaid.gov](mailto:oignotice_ndaa5274@usaid.gov).