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ABSTRACTED



# Auditor General

PD-AAA-522-A1

## ASSOCIATION FOR VOLUNTARY STERILIZATION

Audit Report Number 76-418

Issue Date August 16, 1976

Area Auditor General, Washington  
Agency for International Development  
Washington, DC. 20523

ASSOCIATION FOR VOLUNTARY STERILIZATION

Grant No. AID/csd-3611

PERIOD COVERED : July 1, 1974 through  
June 30, 1975

AUDIT REPORT NO.: 76-418

DATE ISSUED : August 16, 1976

ASSOCIATION FOR VOLUNTARY STERILIZATION

Grant No. AID/csd-3611

SCOPE

The Defense Contract Audit Agency's audit of Grant No. AID/csd-3611 covered the period July 1, 1974 through June 30, 1975, and included a review of pertinent records and procedures at the Grantee's office in New York, New York.

The primary purpose of the examination was to determine the propriety of expenditures incurred by the Grantee under the terms of the grant as well as the degree of compliance with established standards and principles.

A summary of grant data is shown below:

GRANT NUMBER : AID/csd-3611  
GRANT CEILING : \$3,476,290  
EXPIRATION DATE : August 31, 1976  
PROJECT NUMBER : 932-11-580-968  
PROJECT TITLE : Program in Voluntary Sterilization  
AUDIT PERIOD : July , 1974 - June 30, 1975  
TYPE OF AUDIT : Interim

The status of grant funds as of March 31, 1976 is:

Grant Ceiling		\$3,476,290
Amount Reimbursed:		
Costs Audited -		
Approved prior audit	\$1,117,419	
Approved current audit	1,571,848	
Unaudited Costs	349,838	
Subtotal	<u>\$3,039,105</u>	<u>3,039,105</u>
Advance	-	
Amount Questioned	33,680	
Due Contractor	-	
Total Reimbursed	<u>\$3,072,785</u>	
Grant Balance Remaining		<u>\$ 437,185</u>

## GRANT PURPOSE

The purpose of this grant is to provide support to a program of voluntary sterilization services in family planning programs in the less developed countries. The Grantee will establish and retain a network of individuals in the less developed countries who will act as conduits and a clearing-house for the collection, transmission and dissemination of information and materials, and stimulate interest among the public, medical community and government health officials in voluntary sterilization programs. The Grantee will develop a roster of professionals with medical expertise in sterilization, and an information/education exchange service. The scope of the subject matter of these activities will be limited to voluntary sterilization and the related new operative procedures, motivational techniques, visual aids and published materials which support the aims and purposes of the grant.

## FINDINGS AND RECOMMENDATION

### Grant Costs

As shown on Exhibit A, costs claimed and reimbursed during the period totalling \$1,571,848 have been audited. Of this amount \$1,538,168 may be accepted as proper under the terms of the grant. Acceptance of the remaining \$33,680 is deferred pending a review and settlement by the Grant Officer, CM/COD/PHA.

### Recommendation No. 1

Grant Officer, CM/COD/PHA, review the above and take appropriate action to settle the questioned costs.

ASSOCIATION FOR VOLUNTARY STERILIZATION  
 Grant No. AID/csd-3611  
 Summary of Cost Claimed and Audit Adjustments  
 For the Period July 1, 1974 through June 30, 1975

	<u>Costs Claimed &amp; Accepted 6/30/74</u>	<u>Current Costs Claimed</u>	<u>Audit Adjustments</u>	<u>Total Costs Accepted</u>
Salaries	\$ 224,028	\$ 206,646	\$ -	\$ 430,674
Fringe Benefits	39,329	33,564	33,680 <sup>1/</sup>	39,213
Consultant & Contracted Services	26,577	27,996	-	54,573
Rent and Utilities	39,043	31,305	-	70,348
Supplies and Equipment	27,330	15,807	-	43,137
Communications	17,978	13,122	-	31,100
Travel and Subsistence	50,300	55,665	-	105,965
Information/Education/ Communication	17,814	37,113	-	54,927
International and Regional Conferences	210,913	26,331	-	237,244
Local Project Support	423,168	1,040,076	-	1,463,244
Voluntary Association Support	<u>40,939</u>	<u>84,223</u>	<u>-</u>	<u>125,162</u>
Total	<u>\$1,117,419</u>	<u>\$1,571,848</u>	<u>\$33,680</u>	<u>\$2,655,587</u>

Explanatory Note:

<sup>1/</sup> Costs questioned represent the cumulative pension costs claimed by the contractor since the inception of the grant. These costs are questioned because the pension plan:

- (a) Has discriminatory provisions regarding contributions.
- (b) Has not been approved by the IRS.

Contractor's representative Mr. W. Tiongson, Administrator, stated that they will confer with their outside accounting firm on the requirements to obtain IRS approval of the plan.