Aurum Institute Generally Managed and Expended the President’s Emergency Plan for AIDS Relief Funds in Accordance With Award Requirements

What OIG Found
On the basis of our sample results, we concluded that Aurum managed and expended PEPFAR funds in accordance with the award requirements. However, it did not always maintain segregation of duties among different personnel within the organization. Additionally, Aurum used a procurement-management system that did not allow it to record an invoice with multiple items as a single transaction to the general ledger. Finally, Aurum implemented corrective actions for all five recommendations from our previous audit.

The deficiencies we identified occurred because Aurum did not have the necessary financial staff to manage the extra duties and responsibilities that arose from its accelerated growth and because its procurement-management system had limited compatibility with its accounting system.

What OIG Recommends and Aurum’s Comments
We recommend that Aurum continue to (1) implement segregation of duties among different key personnel and (2) upgrade its procurement and accounting systems to effectively track procurements.

In written comments on our draft report, Aurum concurred with our recommendations and described some of the actions it had taken, or planned to take, to address them. Examples include reorganizing the financial service to segregate duties and responsibilities among key personnel in the financial process and investigating upgrades and alternatives to the procurement management and accounting systems.