

RTI International Statement Regarding *Washington Examiner* Coverage

As you know, RTI is committed to excellence in its international development work and makes every effort to ensure high performance throughout the projects we work on, many of which are implemented in extremely challenging environments. We take responsibility for all of our work and have processes in place to respond to and address all client concerns and requests.

Recent coverage on RTI that appeared in the *Washington Examiner* gives the façade of being a detailed analysis of RTI's work and business practices. However, the coverage contains inflammatory statements, extensive factual inaccuracies and material omissions about RTI International's work with USAID.

RTI is very proud of our longstanding partnership with USAID. Our work has helped prevent disease, improve educational outcomes, and build local capacity to improve public health. A few of the many examples of our work with USAID over the past decade include:

- In Guatemala, RTI effectively eliminated measles and rubella by vaccinating 7 million citizens; RTI also enrolled almost 200,000 children in primary school.
- In Ghana, RTI protected 1.5 million citizens from malarial exposure by spraying insecticide in their homes and trained 1,500 workers to do the same.
- In Senegal, RTI instituted performance-based standards and trained teachers, to the benefit of over 400,000 students.

In a November 12, 2014 *Washington Examiner* article titled *Feds gave N.C. nonprofit \$1.8 billion despite years of critical IG reports*, a USAID official is quoted as saying that less than 0.02 percent in questionable costs were related to RTI. The Inspector General reviews contracts such as those RTI holds with USAID on a regular basis. Many of these contracts are performed in extremely challenging environments with limited infrastructure. In the case that an error is reported by the IG, RTI moves quickly to correct it.

A list of the glaring inaccuracies printed by the *Washington Examiner* in this November 12 article, along with RTI's corrections and response, is included below.

Allegation: RTI spent \$23,000 on a single lunch in South Africa.

Fact: The mission allowed \$22,745 for a program launch event (not just lunch), which included airfares, accommodation, conferencing, venue, equipment, and printing costs. The cost of meals included in the launch was approximately 27,055.78 South African Rand or US \$2,600.

Allegation: RTI devoted 'inordinate attention' to details such as the color of furniture while incurring major construction delays in the renovation and construction of women's health treatment centers in South Africa.

Fact: This reference in the audit report is to the approval process by the South African government, not by RTI.

Allegation: RTI invented ‘fictional beneficiaries’ and ‘possibly even fictional spray operators’ in an anti-malaria campaign in Ghana.

Fact: USAID disagreed with the IG’s assertion that RTI intentionally inflated data across the whole program. Inflated data was observed in only two sub-districts, which fell under the same district data manager. Once this came to light, RTI took action, correcting the data and putting comprehensive systems in place to ensure data accuracy moving forward. RTI let the district data manager go in 2010 as noted in the USAID Mission response to the audit.

Allegation: RTI billed USAID for teacher salaries in Senegal even though local authorities were already paying them.

Fact: RTI did not bill USAID for teacher salaries and was never reimbursed by USAID or anyone for such payment.

Allegation: RTI purchased water purifiers for Guatemalan towns that couldn’t afford the units’ annual maintenance costs.

Fact: The project audit found that “water filtration systems in one small community expired after 1 year and were not being replaced.” The USAID Mission responded that any concern regarding the “sustainability of this intervention is an overstatement based on one anecdotal example.” An evaluation of the program conducted in 12 municipalities found that 90.3% of sampled filters were being used correctly and families were drinking safe water.

Allegation: The article makes broad statements that ‘IG auditors have long accused RTI of filing faulty progress reports, misusing tax dollars and failing to implement projects according to contract specifications.’

Fact: These sweeping assertions are unfounded, not borne out by the actual audit reports purportedly reviewed by the article, and completely ignore the valuable body of research and implementation work that RTI has carried out on behalf of clients over many decades.

RTI works closely with USAID and all of our clients to ensure quality program development and implementation. Audits are an important and welcome part of that process and, if missteps are found, we take swift and comprehensive measures to improve performance.

Further, RTI follows competitive processes and government rules and strictly adheres to government ethics rules and global anti-corruption laws in its recruiting and hiring practices for

all of its personnel worldwide. We consider adherence to our company ethics and standards of responsible business and research conduct, as well as strict observance of all laws and regulations pertaining to our businesses around the world, to be not only a legal requirement but an ethical obligation for all. RTI bids fairly, ethically and in compliance with government procurement integrity regulations on potential work and we ensure that all statements, communications, and representations to potential clients or customers are accurate and truthful. RTI is dedicated to maintaining the highest ethical standards in all our endeavors.