



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

MEMORANDUM

DATE: August 28, 2025

TO: Kenneth Jackson
USAID/Deputy Administrator for Management and Resources

Douglas A. Pitkin
USAID/Acting Chief Financial Officer

FROM: David A. McNeil /s/
Director
External Financial Audits Division

SUBJECT: Financial Audit of Global Network of Civil Society Organisations for Disaster Reduction Under Multiple Awards, for the Fiscal Year Ended March 31, 2024 (3-000-25-021-R)

This memorandum transmits the final report on the financial audit of multiple U.S. Agency for International Development (USAID) awards managed by Global Network of Civil Society Organisations for Disaster Reduction (GNDR) for the year ended March 31, 2024. GNDR contracted with the independent certified public accounting firm Sayer Vincent LLP to conduct the audit. The auditor stated that it performed its audit in accordance with generally accepted government auditing standards (GAGAS). However, it did not have a continuing education program that fully satisfies the standards' requirement. In addition, it did not have an external quality control review by an unaffiliated audit organization as required by the standards, since no such program is offered by the professional organizations in the United Kingdom. The auditor is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on GNDR's schedule of expenditures of USAID awards; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

The audit objectives were to obtain reasonable assurance about whether the schedule of expenditures of USAID awards is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes an opinion. To answer the audit objectives, the auditor performed audit procedures that (1) identified and assessed risks of

¹ We reviewed the audit firm's report for conformity with professional reporting standards. Our desk reviews are typically performed to identify any items needing clarification or issues requiring management attention. Desk reviews are limited to review of the audit report itself and excludes review of the auditor's supporting working papers; they are not designed to enable us to directly evaluate the quality of the audit performed.

material misstatement of the schedule of expenditures of USAID awards, whether due to fraud or error, and designed and performed audit procedures responsive to those risks; (2) obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion of the effectiveness of GNDR's internal control; (3) evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluated the overall presentation of the schedule of expenditures of USAID awards. The auditor examined the USAID costs of \$1,202,763.

The auditor concluded that the schedule of expenditures of USAID awards presents fairly, in all material respects, program revenues, costs incurred and reimbursed, and commodities and technical assistance directly procured by USAID for the year then ended in accordance with the terms of the agreements. The auditor did not identify any questioned costs, material weaknesses in internal control, or material deficiencies in compliance. The audit firm issued a management letter.

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.²

² 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.