



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

MEMORANDUM

DATE: September 5, 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: Recipient Contracted Audit for Fundación Oxfam Intermón for Fiscal Year Ended March 31, 2024 (3-000-25-022-R)

This memorandum transmits the Recipient Contracted Audit (RCA) for Fundación Oxfam Intermón for fiscal year ended (FY) March 31, 2024. The U.S. Agency for International Development (USAID) Office of Acquisition and Assistance, Cost, Audit and Support Division, Contract Audit Management Branch contracted with the independent certified public accounting firm of Gelman, Rosenberg & Freedman (GRF) to conduct the audit. GRF stated that it performed its audit in accordance with government auditing standards issued by the Comptroller General of United States. GRF is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on whether costs claimed by Fundación Oxfam Intermón in its FY 2024 RCA are accurate, allowable, allocable, and reasonable in accordance with contract terms and applicable Government acquisition regulations.¹

GRF's audit objectives were to: (1) express an opinion on whether the schedules of expenditures of USAID awards for the USAID funded awards present fairly in all material respects, the revenues received, costs incurred, and commodities and technical assistance directly procured by the U.S. Government for the period audited in conformity with the terms of the agreements and the accrual basis of accounting; (2) evaluate and obtain a sufficient

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.

understanding of Fundación Oxfam Intermón's internal controls related to the USAID funded programs, assess control risk, and identify reportable conditions, including material internal control weaknesses; (3) perform tests to determine whether Fundación Oxfam Intermón complied, in all material respects, with agreement terms and applicable laws and regulations related to USAID funded programs; and (4) determine whether Fundación Oxfam Intermón took adequate corrective action on prior audit report recommendations. To answer the audit's objectives, GRF did the following: (1) reviewed direct and indirect costs billed to and reimbursed by USAID and pass-through entities and costs incurred but pending reimbursement, and identified and quantified any questioned costs; (2) reviewed and evaluated Fundación Oxfam Intermón's internal controls related to USAID programs to obtain a sufficient understanding of the design of relevant control policies and procedures and whether those policies and procedures have been placed in operation; (3) identified the agreement terms and pertinent laws and regulations and determined which of those, if not observed, could have a direct and material effect on the schedules of expenditures of USAID awards, and assessed the inherent and control risk that material noncompliance could occur for each of the compliance requirements; (4) reviewed the status of actions taken on findings and recommendations reported in prior audits of USAID funded programs, and evaluated whether Fundación Oxfam Intermón took appropriate corrective action; and (5) determined whether indirect costs were charged to USAID in accordance with a de minimis indirect rate elected by Fundación Oxfam Intermón. GRF examined USAID allowable costs of \$1,209,657 for FY 2024.

GRF concluded that: (1) its opinion on the schedules of expenditures of USAID awards was unmodified; (2) there were no questioned costs identified as a result of its audit work for the year ended March 31, 2024; (3) there were no material weaknesses or significant deficiencies noted as a result of its audit work; (4) the results of its tests did not disclose any instances of noncompliance required to be reported under U.S. Government Auditing Standards; (5) indirect costs were charged to the USAID awards using the 10 percent de minimis indirect cost rate as permitted by 2 CFR 200.414(f) and was correctly reflected in the accompanying audited schedules of expenditures of USAID awards; and (6) Fundación Oxfam Intermón resolved all prior recommendations. GRF's report titled "Independent Auditor's Report on Findings and Recommendations" contained its formal management letter resulting from its compliance examination.

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.