



# OFFICE OF INSPECTOR GENERAL

## U.S. Agency for International Development

### MEMORANDUM

**DATE:** July 24, 2024

**TO:** USAID/Management/Office of Acquisition and Assistance/Cost, Audit, and Support Division, Contract Audit Management Branch, Supervisory Auditor, Sheree F. Marshall

**FROM:** Director of External Financial Audit Division (IG/A/EFA), David A. McNeil /s/

**SUBJECT:** Single Audit of Global Communities and Related Entities for the Year Ended September 30, 2020 (3-000-24-055-T)

This memorandum transmits the final audit report on the single audit of Global Communities and Related Entities (Global Communities) for the Year Ended September 30, 2020. The audit report was obtained from the Federal Audit Clearinghouse. Gelman, Rosenberg & Freedman (GRF) performed the Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards audit in accordance with U.S. Government auditing standards issued by the Comptroller General of the United States. GRF is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Global Communities' schedule of expenditures for Federal awards; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.<sup>1</sup>

GRF's audit objectives were to (1) express an opinion on the consolidated financial statements, (2) obtain reasonable assurance about whether Global Communities' consolidated financial statements are free from material misstatement, and (3) express an opinion on compliance for each of Global Communities' major Federal programs. To answer the audit objectives, GRF: (1) obtained evidence about the amounts and disclosures in the consolidated financial statements; (2) evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management and evaluated the overall presentation of the financial statements; and (3) considered Global Communities' internal control over financial reporting and tested of Global Communities' compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. Global Communities' audited

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<sup>1</sup> 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.

expenditures of Federal awards was \$ 95,724,812, of which the U.S. Agency for International Development's (USAID) audited expenditures amounted to \$ 92,289,998.

GRF expressed an unmodified opinion on the consolidated financial statements and stated that the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Global Communities as of September 30, 2020, and the combined change in its net assets and its combined cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Further, GRF did not identify any deficiencies in internal control that were considered to be material weaknesses and no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. Finally, GRF reported that Global Communities complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020. GRF 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.<sup>2</sup>

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<sup>2</sup> The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 Pub. L. No. 117-263, § 5274. Please direct related inquiries to [oinotice\\_ndaa5274@usaid.gov](mailto:oinotice_ndaa5274@usaid.gov).