



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

### MEMORANDUM

**DATE:** June 30, 2025

**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 Audits Division (IG/A/EFA), David A. McNeil /s/

**SUBJECT:** Single Audit of The Carter Center, Inc., for the Year Ended August 31, 2023 (3-000-25-059-T)

This memorandum transmits the final audit report on the single audit of The Carter Center, Inc. (the Center), for the years ended August 31, 2023. The audit report was obtained from the Federal Audit Clearinghouse. The Center contracted with the independent audit firm KPMG LLP (KPMG) to conduct the audit. KPMG stated that it performed its audit in accordance with U.S. Government auditing standards issued by the Comptroller General of the United States and in accordance with Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. KPMG is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on the Center's schedule of Federal expenditures; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.<sup>1</sup>

KPMG's audit objectives were to: (1) obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion, (2) consider the Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing KPMG's opinion on the consolidated financial statements, and (3) obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Center's compliance based on KPMG's audit. To answer the audit objectives, KPMG: (1) identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform 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

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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.

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control, and (3) evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements. The Center's audited expenditures of Federal awards were \$14,918,642, of which the U.S. Agency for International Development's (USAID) audited expenditures amounted to \$12,186,733.

KPMG expressed an unmodified opinion on the financial statements and on compliance for major programs. Further, KPMG reported that it did not find any material weaknesses or significant deficiencies in internal control over financial reporting and in internal control over major programs.

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).