



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

MEMORANDUM

DATE: December 2, 2025

TO: USAID, Deputy Administrator for Management and Resources, Kenneth Jackson
USAID, Acting Chief Financial Officer, Douglas A. Pitkin

FROM: USAID OIG Africa Regional Office, Audit Director, Ryan Werner /s/

SUBJECT: Financial Audit of USAID Resources Managed by mothers2mothers South Africa NPC in Multiple Countries Under Multiple Awards, January 1 to December 31, 2024 (Report No. 4-674-26-007-R)

This memorandum transmits the final audit report on USAID resources managed by mothers2mothers South Africa NPC (m2m) under the following awards:

Award Name (Type)	Award Number	Audit Period	Prime Implementer
Bokamoso Bright Future Activity (BOKAMOSO) in Lesotho (cooperative agreement)	72067424CA00010	Oct. 1 – Dec. 31, 2024	
Children and Adolescents are My Priority (CHAMP) in South Africa (cooperative agreement)	72067418CA00026	Jan. 1 – Dec. 31, 2024	
Zambia Integrated Health (ZIH) (subaward)	72061123C00003	Jan. 1 – Dec. 31, 2024	PACT
Providing Universal Services for HIV/AIDS (PUSH) (subaward) - closeout	AID674A1600005	Jan. 1 – Jul. 31, 2024	Elizabeth Glaser Pediatric Aids Foundation
Accelerate TB Elimination and Program Resilience in High Burden Areas of South Africa (ACCELERATE I) (subaward)	72067423CA00003	Jan. 1 – Dec. 31, 2024	The Aurum Institute NPC
Accelerating Program Achievements to Control the Epidemic (APACE) Activity in South Africa (subaward) - closeout	72067418CA00024	Jan. 1 – Sep. 30, 2024	BroadReach Health Development
Sustaining Epidemic Control Unified Activity (SECURE) (subaward)	72067424CA00011	Oct. 1 – Dec. 31, 2024	FHI360

Bophelo Bo Botle (Good Health) Activity (BBB) (subaward)	06555	Oct. 1 – Dec. 31, 2024	Elizabeth Glaser Pediatric Aids Foundation
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m2m contracted with the independent audit firm BDO South Africa Incorporated (BDO), Cape Town to conduct the audit. The audit firm stated that it performed its audit in accordance with International Standards of Auditing (ISA) in conjunction with U.S. Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States. However, it did not have an external peer review program that fully satisfies the standards' requirements. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on m2m's schedule of expenditures on USAID awards; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

The audit objectives were to (1) express an opinion on whether the schedule of expenditures of USAID awards for the period audited, was presented fairly, in all material respects; (2) evaluate m2m's internal controls; (3) determine whether m2m complied with award terms and applicable laws and regulations; (4) review the indirect cost rate; and (5) review the implementation status of the prior period recommendations.

To answer the audit objectives, BDO (1) audited the schedule of expenditures of USAID awards including the budgeted amounts by category and major items and the revenues received from USAID for the period covered by the audit and the costs reported by m2m as incurred from January 1 to December 31, 2024; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to m2m's ability to report financial data consistent with the assertions embodied in each account of the schedule of expenditures of USAID awards; (3) identified the award terms and pertinent laws and regulations and determined which of those, if not observed, could have a direct and material effect on the schedule of expenditures of USAID awards; (4) reviewed the indirect cost rate; and (5) reviewed the implementation status of the prior period recommendations. m2m reported expenditures of \$8,495,386 in USAID funds during the audited period.

The audit firm concluded the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues and costs incurred under the awards for the period audited. The audit firm identified no questioned costs; no material weaknesses in internal control; and no instances of material noncompliance. In addition, although we are not making a recommendation for the significant deficiency noted in the report, we suggest that USAID determine if the recipient addressed the issue noted. The audit firm also issued a management letter.

Accordingly, we are not making any recommendations.

OIG does not routinely distribute independent public accounting reports beyond the immediate addressees because a high percentage of these reports contain information restricted from

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.

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 oinotice_ndaa5274@usaid.gov.