



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

### MEMORANDUM

**DATE:** December 15, 2025

**TO:** Eric Ueland  
USAID/Performing the Duties of Administrator and Chief Operating Officer

Douglas A. Pitkin  
USAID/Acting Chief Financial Officer

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

**SUBJECT:** Financial Audit of USAID Resources Managed by Stichting International NGO Safety Organisation Under Multiple USAID Awards for the Fiscal Year Ended December 31, 2023 (3-000-26-004-R)

This memorandum transmits the final audit report on the recipient contracted audit of multiple U.S. Agency for International Development (USAID) awards managed by the Stichting International NGO Safety Organisation (INSO), for the fiscal year ended December 31, 2023. INSO contracted with the independent audit firm Crowe U.K. LLP (Crowe) to conduct the audit. Crowe stated that it performed its audit in accordance with generally accepted government auditing standards (GAGAS). However, it did not fully satisfy the continuing professional education requirement in GAGAS. In addition, Crowe reported it did not have an external peer review because no such program is offered by professional organizations in the United Kingdom. Crowe is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Crowe's schedule of expenditures of USAID awards; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.<sup>1</sup>

The audit objectives were to (1) express an opinion on whether the schedule of expenditures for the period audited was presented fairly, in all material respects; (2) evaluate INSO's internal controls; (3) determine whether INSO complied with award terms and applicable laws and regulations; (4) perform an audit of the indirect cost rate(s) if INSO has been authorized to charge indirect costs to US Government using provisional rates; and (5) verify if closeout audit

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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.

procedures were performed for the awards that expired during the audit period. To answer the audit objectives, Crowe (1) reconciled the schedule of expenditures to underlying accounting records, bank statements, and reports to USAID; (2) reviewed INSO's internal controls related to USAID programs to obtain sufficient understanding of the design of relevant control policies and procedures and whether those policies and procedures have been in operation during the audited period; (3) performed tests to determine whether the recipient complied, in all material respects, with agreement terms and applicable laws and regulations related to USAID-funded programs; and (4) reviewed indirect costs charged within the year to check these were claimed using the correct rates per the agreement; and (5) verified if closeout audit procedures were performed in accordance with USAID requirements. Crowe reported that the audit covered USAID-funded total expenditures of \$14,882,088 for the fiscal year ended December 31, 2023.

The audit firm concluded that the schedule of expenditures of USAID awards presents fairly, in all material respects, program revenues and costs incurred and reimbursed, and commodities and technical assistance directly procured by USAID under the award for the period audited in accordance with the terms of the agreement. There were no reportable audit findings from the prior year. Crowe did not identify any deficiencies in internal control that they consider to be material weaknesses or significant deficiencies. However, the results of the compliance tests disclosed two instances of noncompliance and resulted in questioned costs. Finding No. 2023-01 Unsupported costs, questioned costs \$3,600 (unsupported), and Finding No. 2023-02 Incorrect Application of Indirect Cost Rates \$76 and \$394 (ineligible). Since the questioned costs did not meet the OIG's established threshold of \$25,000 for making a recommendation, we are not making a recommendation. Nevertheless, we suggest that USAID determine the allowability of the \$4,070 in questioned costs and recover any amount determined to be unallowable. Crowe has submitted a management letter to INSO dated November 5, 2024.

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 [oignotice\\_ndaa5274@usaid.gov](mailto:oignotice_ndaa5274@usaid.gov).