



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

MEMORANDUM

DATE: December 19, 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 Cooperazione Internazionale in Multiple Countries Under Multiple Awards, January 1 to December 31, 2023 (3-000-26-005-R)

This memorandum transmits the final audit report on the U.S. Agency for International Development (USAID) resources managed by Cooperazione Internazionale (COOPI) in multiple countries under multiple awards, January 1 to December 31, 2023. COOPI contracted with the independent certified public accounting firm of BDO Italia S.p.A. (BDO) to conduct the audit. BDO stated that it performed its audit in accordance with U.S. Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States. BDO stated that it does not have a continuing education program fully satisfying the requirement set forth in GAGAS, and it did not have an external quality control review by an unaffiliated audit organization as required by GAGAS, since no such program is offered by professional organizations in Italy. BDO is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on COOPI's schedule of expenditures of 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 COOPI's internal controls related to USAID funded programs; (3) determine whether COOPI complied with award terms and applicable laws and regulations; and (4) perform an audit of the indirect cost rates. To answer the audit objectives, BDO: (1) audited the schedule

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.

of expenditures of USAID awards, including the revenues received from USAID for the period covered by this audit and the costs reported by COOPI as incurred during the period; (2) reviewed the report on internal control and compliance following the applicable Statement on Auditing Standards (SAS) as well as the applicable laws and regulations related to USAID programs; and (3) prepared a schedule of computation of indirect cost rates and verified the amounts used for the calculation of the NICRA for the year 2023 to be submitted to USAID for negotiation. The schedule of expenditures of USAID awards disclosed that USAID audited expenditures were \$ 4,968,581 for the fiscal year ended December 31, 2023.

BDO concluded that the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues, costs incurred and reimbursed, and commodities and technical assistance directly procured by USAID for the period audited in accordance with the terms of the agreements. BDO did not identify any material weaknesses in internal control. BDO did not identify any material instances of noncompliance. BDO confirmed that there were no previous recommendations to implement. BDO issued a management letter. The audit firm stated that the schedule of computation of indirect cost rate was fairly stated in all material respects in relation to the basic financial statements taken as whole. The audit firm concluded the general purpose financial statements presented fairly, in all material respects, the financial position of COOPI as of December 31, 2023.

During our desk review, we identified several issues BDO will need to address in future audit reports. We presented the issues in a memo to USAID, dated December 19, 2025.

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.