



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

MEMORANDUM

DATE: December 8, 2025

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

USAID, Acting Chief Financial Officer, Douglas A. Pitkin

FROM: Middle East and Eastern Europe Regional Office, Audit Assistant Director, Esther
Park /s/

SUBJECT: Audit of the Schedule of Expenditures of Institute for Research and Policy
Analysis ROMALITICO, Skopje, Under Multiple Awards in North Macedonia,
January 1 to December 31, 2024 (8-I65-26-005-R)

This memorandum transmits the final audit report of the schedule of expenditures of Institute for Research and Policy Analysis ROMALITICO, Skopje, under the following awards:

Award Name (Type)	Award Number	Period	Subimplementer
Roma Inclusion Activity (cooperative agreement)	72016521CA00001	January 1, 2024 to December 31, 2024	n/a
Community Self- Reliance Activity (cooperative agreement)	72016521CA00006	January 1, 2024 to December 31, 2024	n/a

Institute for Research and Policy Analysis ROMALITICO, Skopje, contracted with the independent audit firm BDO DOO Skopje to conduct the audit. The audit firm stated it performed the audit in accordance with the U.S. Government Auditing Standards. However, it did not have continuing professional education and external quality control review programs that satisfy 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 the auditee's schedule of

expenditures of USAID awards; the effectiveness of its internal control; or its compliance with the awards, laws, and regulations.¹

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, program revenues and costs incurred; (2) evaluate the auditee's internal controls; (3) determine whether the auditee complied with the awards' terms and applicable laws and regulations; (4) determine whether cost-sharing/matching contributions were provided and accounted, in accordance with agreement terms; and (5) determine if the recipient has taken adequate corrective action on prior audit report recommendations. To answer the audit objectives, the audit firm performed the subject financial audit that covered total expenditures of \$952,319 for the period from January 1 to December 31, 2024.

The audit firm concluded that the schedule of expenditures presented fairly, in all material respects, program revenues and costs incurred for the period audited. The auditors did not identify any material weaknesses in internal control or any material instances of noncompliance. However, the audit firm identified two deficiencies in internal control that were considered significant deficiencies. Although we are not making a recommendation for significant deficiencies noted in the report, we suggest that USAID determine if the recipient addressed the issues noted. In addition, the audit firm identified \$4,212 in unresolved ineligible questioned costs from the 2023 audit report. Since the questioned costs did not meet the OIG's established threshold of \$25,000 for making recommendations, we are not making a recommendation. Nevertheless, we suggest that USAID determine the allowability of the \$4,212 in questioned costs. The audit firm reported that nothing came to its attention that caused the auditors to believe that the auditee did not fairly present the cost-sharing schedule, in all material respects, in accordance with the basis of accounting used to prepare the schedule. The audit firm reported that for the previous audit recommendations, one was partially corrected, two were corrected, and one remains open. The audit firm issued a management letter.

The report does not include any recommendations for your action.

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

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.

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.