



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: February 11, 2026

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

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

SUBJECT: Financial Audit of ACTED in Multiple Countries Under Multiple Awards, for the
Fiscal Year Ended December 31, 2024 (3-000-26-015-R)

This memorandum transmits the final audit report on the U.S. Agency for International Development (USAID) resources managed by ACTED in multiple countries under multiple awards for the fiscal year ended December 31, 2024. ACTED contracted with the independent certified public accounting firm of Gelman, Rosenberg & Freedman (GRF) to conduct the audit. GRF stated that it performed its audit in accordance with standards applicable to financial audits contained in U.S. Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States and auditing standards generally accepted in the United States. GRF is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on ACTED'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 ACTED's internal controls related to USAID funded programs; (3) determine whether ACTED complied with agreements terms and applicable laws and regulations; (4) determine if ACTED has taken adequate corrective action on prior audit recommendations; (5) determine if cost-sharing contributions were provided and accounted for by ACTED in accordance with the terms of the agreements; (6) perform an audit of the indirect cost rates and a reconciliation to the general purpose financial statements; and (7) determine whether the general purpose financial statements were audited. To answer the audit objectives, GRF: (1) reviewed direct and indirect costs billed to and reimbursed by USAID and pass-through entities and costs incurred but pending reimbursement, and identified and quantified any questioned costs; (2) reviewed the recipient's internal controls related to USAID programs to obtain a sufficient understanding

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 the design of relevant control policies and procedures and whether those policies and procedures have been placed in operation; (3) identified the agreement terms and pertinent laws and regulations and determine which of those, if not observed, could have a direct and material effect on the schedule of expenditures of USAID awards; (4) reviewed the status of actions taken on findings and recommendations reported in prior audits of USAID funded programs, and evaluated whether ACTED took appropriate corrective action; (5) reviewed the cost-sharing contributions schedule to determine if the schedule was fairly presented in accordance with the basis of accounting used by the recipient to prepare the schedule; (6) performed tests of the actual indirect cost rates for the year to determine whether the indirect cost rates were accurately calculated and if costs included in this calculation reconciled with the total expenses shown in the recipient's audited general purpose financial statements; and (7) examined the recipient's audited general purpose financial statements to determine whether an opinion is expressed as to whether those statements were presented fairly in all material respects in accordance with GAGAS. The schedule of expenditures of USAID awards disclosed that USAID audited expenditures were \$259,608,440 for the fiscal year ended December 31, 2024.

GRF concluded that the schedule of expenditures of USAID awards presented fairly, in all material respects, the costs incurred and reimbursed by USAID and pass-through entities for the year ended December 31, 2024, in accordance with the terms of the agreements. GRF did not identify any material weaknesses in internal control. GRF did not identify any instances of material noncompliance with applicable laws, regulations, and agreement terms. GRF was not aware of any material modifications that should be made to the report on the cost-sharing schedule in order for it to be in accordance with accounting principles generally accepted in the United States of America. GRF noted one matter involving internal control and its operation reported to the management of ACTED in the report on findings and recommendations. GRF concluded that the information in the statement of indirect rate calculation was fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole. The general purpose financial statements of ACTED for the year ended December 31, 2024, were audited by another auditor, whose report expressed an unmodified opinion.

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@oig.usaid.gov.