



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

MEMORANDUM

DATE: June 18, 2026

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/
External Financial Audits Division Director

SUBJECT: Single Audit of Global Communities and Related Entities for the Year Ended September 30, 2024 (3-000-26-003-T)

This memorandum transmits the final audit report on the single audit of Global Communities and Related Entities (Global Communities) for the year ended September 30, 2024. The audit report was obtained from the Federal Audit Clearinghouse. Global Communities contracted with the independent audit firm Gelman, Rosenberg & Freedman (GRF) to conduct the audit. GRF stated that it performed its audit in accordance with U.S. Government auditing standards issued by the Comptroller General of the United States and in accordance with Title 2 Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. GRF is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Global Communities' schedule of expenditures of Federal awards; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

GRF audit objectives were to: (1) obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report including GRF's opinion; (2) identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks; (3) evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements; (4) consider Global Communities' internal control over financial reporting (internal control) as

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.

a basis for designing audit procedures that are appropriate in the circumstances, for the purpose of expressing an opinion on the combined financial statements; and (5) audit Global Communities' compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget Compliance Supplement that could have a direct and material effect on each of Global Communities' major Federal programs for the year ended September 30, 2024. To answer the audit objectives, GRF: (1) audited Global Communities' combined financial statements comprising the combined statement of Global Communities' financial position as of September 30, 2024, and the related combined statements of activities, functional expenses, change in net assets and cash flows for the year then ended, and the related notes; (2) issued report dated June 10, 2025, on GRF's consideration of Global Communities' internal control over financial reporting and on tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters; and (3) performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Global Communities' audited expenditures of federal awards were \$146,991,725, of which the U.S. Agency for International Development's audited expenditures amounted to \$123,197,008.

GRF expressed a qualified opinion on the combined financial statements of Global Communities. The Schedule of Findings and Questioned Costs for the year ended September 30, 2024, stated that the financial statements received an unmodified opinion. GRF reported an unmodified opinion on compliance for major programs. Further, GRF reported that it did not find any material weaknesses in internal control over financial reporting and in internal control over major programs. GRF did, however, identify one significant deficiency in internal control over financial reporting. Additionally, GRF identified two significant deficiencies in internal control over compliance also reported as instances of noncompliance. The significant deficiencies in internal control over compliance reported in accordance with 2 CFR 200.516(a) pertained to three instances of fraud within its country offices and subaward noncompliance with Federal Funding Accountability and Transparency Act (FFATA) reporting requirements. GRF reported that there were no questioned costs associated with these significant deficiencies. Although we are not making a recommendation for the significant deficiencies and instances of noncompliance GRF noted in the report, we suggest that USAID determine whether Global Communities addressed the issues noted. GRF reported that one finding from the prior year had been cleared, while the other had not. GRF issued a management letter.

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.