



Office of Inspector General

MEMORANDUM

DATE: May 7, 2019

TO: USAID/West Bank and Gaza Mission Director, Monica Stein-Olson

FROM: UASID OIG Middle East and Eastern Europe Regional Office (Frankfurt), USDH NFA Coordinator, Abdoulaye Gueye /s/

SUBJECT: Closeout Audit of the Cost Representation Statement of Trigon Associates, LLC. Under Delivery Order Number 2, Under Black and Veatch Special Projects Corporation, Indefinite Quantity Contract, 294-I-00-10-00205-00, Infrastructure Needs Program II, January 1, 2017 to May 31, 2018 (8-294-19-062-R)

This memorandum transmits the final closeout audit of the cost representation statement of Trigon Associates, LLC. Under Delivery Order Number 2, Under Black and Veatch Special Projects Corporation, Indefinite Quantity Contract, 294-I-00-10-00205-00, Infrastructure Needs Program II, January 1, 2017 to May 31, 2018. The Trigon Associates, LLC, contracted with El Wafa Company, Ramallah, West Bank, to conduct the audit. The contract required the audit firm to perform the audit in accordance with generally accepted government auditing standards and USAID OIG Guidelines for Financial Audits Contracted by Foreign Recipients.¹

The audit firm stated that it performed the audit in accordance with generally accepted government auditing standards except that it did not participate in an external quality control review program, and did not have a continuing education program that fully satisfy the requirements of chapter 3, paragraph 3.82 and 3.96 of the auditing standards. The audit firm explained that no such program is offered by professional organizations in West Bank and Gaza. The audit firm is responsible for the enclosed report and the stated conclusions expressed in it.

¹ On June 30, 2017, USAID OIG rescinded its Guidelines for Financial Audits Contracted by Foreign Recipients, recognizing the Agency's role to impose requirements on its implementing partners and contractors as a management function. This contracted audit, however, was initiated before that date and follows the Guidelines.

We do not express an opinion on the Trigon Associates LLC's cost representation statement; the effectiveness of its internal control; or its compliance with the contract, laws, and regulations.²

The objectives were to: (1) express an opinion on whether the cost representation statement for the period from January 1, 2017 to May 31, 2018 was fairly presented in all material respects; (2) evaluate the Trigon Associates LLC's internal controls; and (3) determine whether the Trigon Associates LLC complied with the contract terms and the applicable laws and regulations; (4) determine if Trigon Associates LLC took corrective actions to address prior audit report recommendations. The cost representation objectives also included testing Trigon Associates LLC's compliance with Executive Order 13224 – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism. To answer the engagement objectives, the audit firm performed the subject cost representation that covered \$835,135 for the period from January 1, 2017 to May 31, 2018.

The audit firm concluded that the cost representation statement presented fairly, in all material respects, program revenues, and costs incurred under the agreement for the period audited and did not identify any questioned costs. The auditors did not identify any material internal control weaknesses, or any material instances of noncompliance with the agreement terms, conditions, and applicable laws and regulations. The auditors also did not identify any material instances of noncompliance with Executive Order 13224.

The report does not contain any recommendations.

We appreciate the assistance extended during the engagement..

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”).

² 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.