



MEMORANDUM

DATE: October 26, 2020

TO: USAID/West Bank and Gaza, Acting Mission Director, Courtney Chubb

FROM: USAID/OIG Middle East and Eastern Europe (M/EE) Regional Office, USDH NFA Coordinator, John Vernon /s/

SUBJECT: Closeout Audit of the Fund Accountability Statement of Kids4Peace, Interfaith Constituency for Peace in Jerusalem Project, in West Bank and Gaza, Cooperative Agreement AID-294-A-16-00010, January 1, 2018 to January 31, 2019 (8-294-21-001-N)

This memorandum transmits the final closeout audit report on the fund accountability statement of Kids4Peace, Interfaith Constituency for Peace in Jerusalem project in West Bank and Gaza, cooperative agreement AID-294-A-16-00010, from January 1, 2018 to January 31, 2019. USAID/West Bank and Gaza contracted with the independent certified public accounting firm Deloitte & Touche (M.E.) to conduct the audit. The audit firm stated that it performed the audit in accordance with U.S. government auditing standards. However, it did not have an external quality control review program that fully satisfies the standards' requirements. The audit firm explained that West bank and Gaza does not offer such a review program. 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 fund accountability statement; the effectiveness of its internal controls; or its compliance with the award, laws, and regulations.¹

The audit objectives were to: (1) express an opinion on whether the fund accountability statement for the period audited was presented fairly, in all material respects; (2) evaluate the auditee's internal controls; and (3) determine whether the auditee complied with the award terms and applicable laws and regulations, including testing the auditee's compliance with executive order 13224 – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism. To answer the audit objectives, the audit

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.

firm performed the subject financial audit that covered \$359,690, from January 1, 2018 to January 31, 2019.

The audit firm expressed an unmodified opinion on the fund accountability statement and concluded that it presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited. The auditors did not identify any questioned costs.

The audit firm did not identify any material internal control weaknesses or any material instances of noncompliance with terms of the cooperative agreement or applicable laws and regulations. The auditors also did not identify any material instances of noncompliance with Executive Order 13224. The audit firm issued a management letter.

The report does not contain 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”).