



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

### MEMORANDUM

**DATE:** August 9, 2022

**TO:** USAID/West Bank and Gaza Acting Mission Director, Jessica Zaman

**FROM:** USAID OIG Middle East and Eastern Europe (ME/EE) Regional Office, Supervisory Auditor, John Vernon /s/

**SUBJECT:** Audit of the Schedule of Expenditures of AECOM Technical Services Inc., USAID West Bank and Gaza Architecture and Engineering Services Program, IDIQ AID-294-I-16-00001, Task Order AID-294-TO-16-00012, October 1, 2019 to September 30, 2020 (8-294-22-021-N)

This memorandum transmits the final audit report of the schedule of expenditures of AECOM Technical Services Inc. under indefinite delivery indefinite quantity contract number AID-294-I-16-00001, task order number AID-294-TO-16-00012, USAID West Bank and Gaza Architecture and Engineering Services program, from October 1, 2019, to September 30, 2020. USAID/West Bank and Gaza contracted with the independent audit firm Ernst and Young-Middle East to conduct the audit. The audit firm stated that it performed its audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. However, it did not participate in an external quality control review program because professional organizations in West Bank and Gaza do 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 auditee's schedule of expenditures; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.<sup>1</sup>

The audit objectives were mainly to: (1) express an opinion on whether the schedule of expenditures 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 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 firm performed the subject

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<sup>1</sup> 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.

financial audit that covered \$228,442 for the period from October 1, 2019 to September 30, 2020.

The audit firm expressed an unmodified opinion on the schedule of expenditures and did not identify any questioned costs. The audit firm did not identify any material weaknesses in internal control, or any material instances of noncompliance with laws, regulations, and the agreement terms. The audit firm also did not identify any material instances of noncompliance with Executive Order 13224. In addition, although we are not making a recommendation for the significant deficiency noted in the report, we suggest that USAID/West Bank and Gaza determine if the awardee addressed the issue noted. 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").