



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: February 13, 2023

TO: USAID/West Bank and Gaza Mission Director, Amy Tohill-Stull

FROM: USAID/OIG Middle East and Eastern Europe (ME/EE) Regional Office, Assistant Audit Director, David Clark /s/

SUBJECT: Examination of Hapoel Katamon Jerusalem Football Club's Compliance With the Terms and Conditions of Fixed Amount Grant 72029420FA00001, Katamon Striking for Equality in Jerusalem Project in West Bank and Gaza, June 29, 2020, to December 31, 2021 (8-294-23-001-O)

This memorandum transmits the final examination report on Hapoel Katamon Jerusalem Football Club's Compliance with the terms and conditions of fixed amount grant 72029420FA00001, Katamon Striking for Equality in Jerusalem project in West Bank and Gaza, from June 29, 2020, to December 31, 2021. USAID/West Bank and Gaza contracted with the certified public accounting firm Mazars to conduct the examination. The audit firm stated that it performed the examination in accordance with U.S. Government Auditing Standards for attestation engagements and the attestation standards established by the American Institute for Certified Public Accountants. However, it did not have 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 Hapoel Katamon Jerusalem Football Club internal control effectiveness or its compliance with the award, laws, and regulations.¹

The examination objectives were to: (1) determine whether the awardee complied with the terms and conditions of the fixed amount grant; and (2) provide reasonable assurance of detecting fraud, illegal acts, or violations of provisions of the grant. To answer the engagement objectives, the audit firm performed the subject examination that covered the period from June 29, 2020, to December 31, 2021.

The auditors did not identify any material instances of noncompliance with the award terms, conditions and applicable laws, regulations, USAID Assistance and Acquisition Procurement Directives, and notices. The auditors did not identify any material weakness in internal controls.

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 examination engagement 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 examination engagement performed.

The auditors said that Hapoel Katamon Jerusalem Football Club is not subject to vetting requirements and certification regarding terrorist financing, as the program falls outside the scope of the mandatory provisions underlying mission order No. 21, related to Executive Order 13224 – (Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism). Further, 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”).