



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: April 27, 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: Audit of the Schedule of Expenditures of ORT Israel, Bridges for Peace Program in West Bank and Gaza, Cooperative Agreement 72029419CA00003, January 1 to December 31, 2021(8-294-23-018-N)

This memorandum transmits the final audit report of the schedule of expenditures of ORT Israel, Bridges for Peace program in West Bank and Gaza, cooperative agreement 72029419CA00003, from January 1 to December 31, 2021. USAID/West Bank and Gaza contracted with the independent audit firm Mazars to conduct the audit. The audit firm stated that it performed its audit in accordance with U.S Government Auditing Standards and Generally Accepted Auditing Standards. 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.¹

The audit objectives were 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 financial audit that covered \$381,922 for the period from January 1 to December 31, 2021.

The audit firm concluded the schedule of expenditures presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited and did not

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.

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 auditors said that the auditee is not subject to mission order number 21 “Anti-Terrorism Procedures.” The audit firm issued a management letter.

During our desk review, we noted an area for improvement which the audit firm should address in future audit reports. We presented this area in a memo to the controller of USAID/ West Bank and Gaza, dated April 27, 2023.

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”).