



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

MEMORANDUM

DATE: April 23, 2024

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

FROM: Middle East and Eastern Europe Regional Office, Audit Director,
Louis Duncan, Jr. /s/

SUBJECT: Closeout Audit of the Schedule of Expenditures of The Peres Center for Peace and Innovation's Under the Same Green Roof Program in West Bank and Gaza, Cooperative Agreement 72029420CA00002, January 1, 2022, to May 31, 2023 (8-294-24-015-N)

This memorandum transmits the final audit report on the schedule of expenditures of Peres Center for Peace and Innovation under the Same Green Roof program, cooperative agreement 72029420CA00002, from January 1, 2022, to May 31, 2023.

USAID/West Bank and Gaza contracted the independent audit firm Ernst & Young – Middle East to conduct the audit. The audit firm stated it performed its audit in accordance with U.S. Government Auditing Standards. However, it did not have an external quality control review program by an unaffiliated audit organization since no such program is offered by professional organizations in West Bank and Gaza. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on the recipient's schedule of expenditures of USAID awards, 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. To answer the audit objectives, the audit firm performed the subject financial audit that covered total costs of \$840,509 for the period from January 1, 2022, to May 31, 2023.

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.

The audit firm concluded that the schedule of expenditures of USAID award presented fairly, in all material respects, program revenues, and costs incurred for the period audited. The audit firm did not identify any questioned costs, material weaknesses in internal control, or material instances of noncompliance. The auditee is not subject to Executive Order number 13224, as the program falls outside the scope of the mandatory provisions underlying mission order number 21.

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”). In addition, USAID OIG has determined that this transmittal memo and the enclosed report are not subject to notification and reporting requirements under Section 5274 of the National Defense Authorization Act.²

² The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 Pub. L. No. 117-263, § 5274. Please direct related inquiries to oinotice_ndaa5274@usaid.gov.