



MEMORANDUM

DATE: December 13, 2018

TO: USAID/West Bank and Gaza Mission Director, Monica Stien-Olson

FROM: Middle East/Eastern Europe Regional Office Frankfurt, Assistant Audit Director, Saiming T. Wan /s/

SUBJECT: Fund Accountability Statement Audit of USAID Resources Managed by Rostropovich Vishnevskaya Foundation, Introduction of Rotavirus Vaccine for Children Program, Cooperative Agreement AID-294-G-00001, May 1, 2017 to April 30, 2018 (8-294-19-022-R)

This memorandum transmits the final audit report on financial audit of the fund accountability statement of USAID resource managed by Rostropovich Vishnevskaya Foundation, Introduction of Rotavirus Vaccine for Children Program, cooperative agreement AID-294-G-00001, May 1, 2017 to April 30, 2018. The auditee contracted with the independent certified public accounting firm PricewaterhouseCoopers to conduct the audit. The contract required PricewaterhouseCoopers the audit firm to perform the audit in accordance with generally accepted government auditing standards. The principal audit criterion was the Office of Inspector General's (OIG) Guidelines for Financial Audits Contracted by Foreign Recipients.¹

The audit firm states that it performed its audit in accordance with generally accepted government auditing standards, except for not participating in an external quality control review program. The audit firm explained that West bank and Gaza does not offer such a review program, however they participate in the PricewaterhouseCoopers worldwide internal

¹ On June 30, 2017, USAID OIG rescinded its Guidelines for Financial Audits Contracted by Foreign Recipients, recognizing the Agency's role to impose requirements on its implementing partners and contractors as a management function. [As applicable, include: "This contracted audit, however, was initiated before that date and follows the Guidelines".]

quality control review program which requires their offices to be subjected, every three years to an extensive quality control review by partners and managers from other affiliate offices. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on RVF's fund accountability statement; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.²

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 RVF's internal controls; (3) determine whether RVF complied with 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 \$23,891 for the period May 1, 2017 to April 30, 2018.

The audit firm concluded that the fund accountability statement presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited and did not identify any questioned costs. The audit firm did not identify any material internal control weaknesses or any material instances of noncompliance with the agreement terms and applicable laws and regulations. The auditors also did not identify any material instances of noncompliance with Executive Order 13224.

The report does not contain any recommendations for your action.

We appreciate the assistance extended to the audit staff during the engagement.

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").

² 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. [Format note: try to keep footnote content on the same page.]