



MEMORANDUM

DATE: August 1, 2019

TO: USAID/West Bank and Gaza Acting Mission Director, Dana Rose

FROM: USAID OIG Middle East and Eastern Europe (ME/EE) Regional Office,
USDH NFA Coordinator, Abdoulaye Gueye /s/

SUBJECT: Closeout Examination of Technical Group Company for General Contracting's Compliance With the Terms and Conditions of Indefinite Quantity Contract AID-294-I-13-00007, Under Local Construction Program, Task Order AID-294-TO-17-00003, Reconstruction of Al Badhan-Al Nassariya Road in West Bank and Gaza, October 23, 2017 to January 12, 2019 (8-294-19-029-O)

This memorandum transmits the final examination report on the closeout examination of Technical Group Company for General Contracting's (TGC) compliance with the terms and conditions of indefinite quantity contract AID-294-I-13-00007, under local construction program, task order AID-294-TO-17-00003, Reconstruction of Al Badhan-Al Nassariya Road, October 23, 2017 to January 12, 2019. USAID/West Bank and Gaza contracted with the independent certified public accounting firm El Wafa Company, Ramallah, Palestine to conduct the examination.

The audit firm states that it performed its examination in accordance with attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards, except that the audit firm did not have an external quality control review 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 TGC's effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

The examination objectives were to (1) express an opinion on the contractor's compliance with the task order's terms and conditions, including testing the contractor's compliance with Executive Order 13224 – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism; (2) evaluate and obtain a sufficient understanding of TGC's internal controls related to compliance, assess control risk, and identify reportable conditions, including material internal control weaknesses; and (3) provide reasonable assurance of detecting fraud, illegal acts, or violations of provisions of the Task Order. To answer the examination objectives, the auditors performed the subject examination engagement that covered the period from October 23, 2017 to January 12, 2019.

The auditors concluded that TGC complied in all material respects, with the compliance requirements and did not identify any deficiencies in internal control over compliance. The auditors also did not identify any material instances of noncompliance with Executive Order 13224.

The report does not contain any recommendation for your action.

We appreciate the assistance extended 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”).

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 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 performed.