



MEMORANDUM

DATE: August 6, 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: Financial Closeout Audit of USAID Resources Managed by Peace Players International in West Bank and Gaza Under Cooperative Agreement AID-294-A-15-00005, January 1 to September 15, 2017 (8-294-19-104-R)

This memorandum transmits the final audit report on USAID resources managed by Peace Players International to implement the project titled "Peace Players Basketball Clubs". Peace Players International contracted with the independent certified public accounting firm Deloitte & Touche (M.E.), Ramallah, Palestine to conduct the audit. The contract required the audit firm to perform the audit in accordance with generally accepted government auditing standards.

The audit firm states that it performed its audit in accordance with generally accepted government auditing standards, except that the audit firm did not have an external peer review because 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 Peace Players International's fund accountability statement; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

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 objectives were mainly to: (1) express an opinion on whether the fund accountability statement for the period from January 1, 2017 to September 15, 2017 was fairly presented in all material respects; (2) evaluate Peace Players Internationals internal controls; and (3) determine whether Peace Players International complied with the contract terms and the 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, Deloitte & Touche (M.E.), Ramallah, Palestine (1) audited the fund accountability statement for the award including the budgeted amounts by category and major items and the revenues received from USAID for the period covered by the audit and the costs reported by Peace Players International as incurred from January 1 to September 15, 2017; (2) evaluated the control environment, the adequacy of the accounting systems, and control procedures that pertain to Peace Players International's ability to report financial data consistent with the assertions embodied in each account of the fund accountability statement; (3) identified the award terms and pertinent laws and regulations and determined which of those, if not observed, could have a direct and material effect on the fund accountability statement, as well as if the recipient complied with Executive Order 13224. Peace Players International reported expenditures of \$406,572 in USAID funds during the audited period.

The auditors expressed an unmodified opinion on the fund accountability statement and did not identify any questioned costs. The auditors did not identify any material internal control weaknesses, or any material instances of noncompliance with the contract terms conditions, and applicable laws and regulations. The auditors also did not identify any material instances of noncompliance with Executive Order 13224.

The report does not include any recommendations 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”).