



MEMORANDUM

DATE: August 26, 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: Audit of the Fund Accountability Statement of Locally Incurred Costs by Sikkuy: the Association for the Advancement of Civic Equality, Opening Hearts and Homes Project in West Bank and Gaza, Cooperative Agreement AID-294-A-13-00010, October 1, 2014, to December 31, 2015 (8-294-19-107-R)

This memorandum transmits the final report on the audit of the fund accountability statement of locally incurred costs by Sikkuy: the Association for the Advancement of Civic Equality, Opening Hearts and Homes Project, Cooperative Agreement AID-294-A-13-00010, from October 1, 2014, to December 31, 2015. The auditee contracted with the independent certified public accounting firm Deloitte & Touche (M.E.) to conduct the audit.

The audit firm states that it performed its audit in accordance with generally accepted government auditing standards, except that it did not participate in an external quality control review program and did not have a continuing education program that fully satisfies the standards' requirements. The audit firm says that West Bank and Gaza does not offer such a review program. With respect to the continuing education program, the audit firm says that they could not satisfy the standards' requirements because they could not fully obtain the U.S. Government auditing related hours. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on the auditee'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 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 \$345,399 for the period from October 1, 2014, to December 31, 2015.

The auditors expressed an unmodified opinion on the fund accountability statement 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 award terms and applicable laws and regulations. The audit firm did not perform tests of compliance with Executive Order 13224 because of its inapplicability to the auditee.

The report does not contain 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").