



MEMORANDUM

DATE: September 9, 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: Examination of Women Media and Development - TAM Compliance With Terms and Conditions of Fixed Amount Award AID-294-F-15-00007, Women's Courts Program in West Bank and Gaza, September 30, 2015, to December 31, 2016 (8-294-19-039-O)

This memorandum transmits the final report on the examination of Women Media and Development - TAM compliance with terms and conditions of fixed amount award AID-294-F-15-00007, Women's Courts Program in West Bank and Gaza, from September 30, 2015, to December 31, 2016. USAID/West Bank and Gaza contracted with the independent certified public accounting firm Deloitte & Touche (M.E.) to conduct the engagement. The contract required the audit firm to perform the engagement in accordance with the U.S. Government Auditing Standards and the American Institute of Certified Public Accountants Statements on Standards for Attestation Engagements.

The audit firm states that it performed its engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants and with the U.S. 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 Women Media and Development – TAM’s internal controls effectiveness or its compliance with the award, laws, and regulations.¹

The examination objectives were mainly to: (1) determine whether the awardee complied with the award terms and conditions, including testing the awardee’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 the awardee’s internal controls related to compliance; and (3) provide reasonable assurance of detecting fraud, illegal acts, or violations of provisions of the award. To answer the examination objectives, the auditors performed the subject examination engagement that covered the period from September 30, 2015, to December 31, 2016.

The auditors did not identify any material weaknesses in internal controls, but identified two material instances of noncompliance related to: (a) not reporting taxes; and (b) starting activities with a contractor before receiving the vetting results from USAID, resulting in \$1,200 of questioned ineligible costs.

As of January 31, 2019, USAID/West Bank and Gaza terminated its foreign assistance activities, and as a result, Women Media and Development – TAM had its activities terminated and currently has no open awards with USAID. USAID OIG ME/EE Regional Office is not including a procedural recommendation regarding the two material instances of noncompliance. However, if USAID/West Bank and Gaza considers future awards to Women Media and Development – TAM, it should ensure that adequate policies and procedures are implemented to address these findings, as detailed on pages 10 and 11 of Deloitte and Touche (M.E.) report. Since the questioned costs did not meet the OIG’s established threshold of \$25,000 for making a recommendation, we are not making a recommendation. Nevertheless, we suggest that USAID/West Bank and Gaza determine the allowability of the \$1,200 in questioned costs and recover any amount determined to be unallowable.

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”).

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 audit firm’s supporting working papers; they are not designed to enable us to directly evaluate the quality of the engagement performed.