



MEMORANDUM

DATE: August 10, 2021

TO: USAID/Jordan Mission Director, Sherry Carlin

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

SUBJECT: Closeout Audit of the Fund Accountability Statement of Queen Rania Teacher Academy, Cultivating Inclusive and Supportive Learning Environments in Jordan's Schools Program, Grant AID-278-G-14-00001, January 1, 2019, to April 30, 2020 (8-278-21-040-N)

This memorandum transmits the final closeout audit report on the fund accountability statement of Queen Rania Teacher Academy, Cultivating Inclusive and Supportive Learning Environments in Jordan's Schools program, grant AID-278-G-14-00001, from January 1, 2019, to April 30, 2020. USAID/Jordan contracted with the independent certified public accounting firm Ernst & Young-Jordan to conduct the audit. The audit firm stated that it performed the audit in accordance with U.S. government auditing standards. However, it did not have an external quality control review program that fully satisfies the standard's requirements. The audit firm explained that Jordan's professional organizations do not offer such a review program. 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 controls; or its compliance with the award, laws, and regulations.¹

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

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.

performed the subject financial audit that covered \$1,004,848, from January 1, 2019, to April 30, 2020.

The audit firm expressed an unmodified opinion on the fund accountability statement and did not identify any questioned costs. The audit firm did not identify any material weaknesses in the internal control or any material instances of noncompliance with the award terms and applicable laws and regulations. In the closeout audit procedures section on page 6 of its report, the audit firm said that there was an excess of the remaining fund balance in the amount of \$19,695 that needs to be refunded to USAID. Since this amount 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/Jordan determine the allowability of the \$19,695 and recover any amount determined to be unallowable. Further, the audit firm issued a management letter.

During our desk review, we noted a minor issue which the audit firm will need to address in future audit reports. We presented this issue in a memo to the controller, dated August 10, 2021.

The report does not include any recommendations for your action.

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