



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

MEMORANDUM

DATE: February 10, 2022

TO: USAID/West Bank and Gaza Mission Director, Aler Grubbs

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

SUBJECT: Closeout Audit of the Fund Accountability Statement of the Dead Sea & Arava Science Center, Water Matters Project in West Bank and Gaza, Cooperative Agreement 294-A-16-00005, January 1, 2018, to January 31, 2019 (8-294-22-009-N)

This memorandum transmits the final report on the closeout audit of the fund accountability statement of the Dead Sea & Arava Science Center, Water Matters project in West Bank and Gaza, cooperative agreement 294-A-16-00005, from January 1, 2018, to January 31, 2019. USAID/West Bank and Gaza contracted with the independent certified public accounting firm Deloitte & Touche (M.E.) to conduct the audit. The audit firm stated that it performed its audit in accordance with Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States. However, it did not have an external quality control review program because professional organizations in West Bank and Gaza 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 control; 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 award terms and applicable laws and regulations, including compliance with E.O. 13224 - Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism. To answer the audit

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.

objectives, the audit firm performed the subject financial audit that covered \$681,775 for the period from January 1, 2018, to January 31, 2019.

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 internal control weaknesses or any material instances of noncompliance with terms of the cooperative agreement or applicable laws and regulations. The auditors also did not identify any material instances of noncompliance with Executive Order 13224. Further, the audit report included personally identifiable information (PII) in annexes 1 and 2.

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 letter to the controller dated February 10, 2022.

The report does not contain any recommendations for your action.

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").