



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: February 17, 2026

TO: USAID, Performing the Duties of Administrator and Chief Operating Officer, Eric Ueland
USAID, Acting Chief Financial Officer, Douglas A. Pitkin

FROM: Middle East and Eastern Europe Regional Office, Audit Director, Louis Duncan, Jr. /s/

SUBJECT: Closeout Audit of the Schedule of Expenditures of International Medical Corps, Gaza 2020: Health Matter Program in West Bank and Gaza, Cooperative Agreement AID-294-A-16-00001, September 30, 2021, to July 31, 2023 (8-294-26-004-N)

This memorandum transmits the final closeout audit for the schedule of expenditures of International Medical Corps, Gaza 2020: Health Matter Program in West Bank and Gaza, Cooperative Agreement AID-294-A-16-00001, September 30, 2021, to July 31, 2023. USAID/West Bank and Gaza contracted with the independent certified public accounting firm Ernst and Young - Middle East to conduct the audit. The audit firm stated that it performed its audit in accordance with Generally Accepted Government Auditing Standards. However, it did not participate in an external quality control review program because West Bank and Gaza does 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 schedule of expenditures; the effectiveness of its internal control; or its compliance with the award, laws, and regulations.¹

The audit objectives were to: (1) express an opinion on whether the schedule of expenditures 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's terms and

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.

applicable laws and regulations including testing the auditee's compliance with Executive Order 13224 – Blocking Property and Prohibiting Transactions With Person Who Commit, Threaten to Commit, or Support Terrorism. To answer the audit objectives, the audit firm performed the subject financial audit covering \$3,698,781 for the period from September 30, 2021, to July 31, 2023.

The audit firm concluded the schedule of expenditures presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited and did not identify any questioned costs. The audit firm did not identify any material internal control weaknesses or any material instances of noncompliance. The audit firm also did not identify any material instances of noncompliance with Executive Order 13224. The audit firm noted an immaterial instance of noncompliance and reported it to the management of International Medical Corps in a separate letter, dated July 16, 2025.

The report does not include 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"). In addition, USAID OIG has determined that this transmittal memo and the enclosed report are not subject to notification and reporting requirements under Section 5274 of the National Defense Authorization Act.²

² The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 Pub. L. No. 117-263, § 5274. Please direct related inquiries to oignotice_ndaa5274@usaid.gov.