



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

MEMORANDUM

DATE: August 4, 2025

TO: USAID/Egypt, Mission Director, Sean Jones

FROM: Middle East and Eastern Europe Regional Office, Acting Audit Director, Esther Park /s/

SUBJECT: Audit of Expenditures Incurred by Takween Integrated Community Development, Value Investment in Sustainable Integrated Tourism in Esna Project in Egypt, Cooperative Agreement 72026320CA00006, January 1 to December 31, 2023 (8-263-25-022-R)

This memorandum transmits the final audit report on USAID resources managed and expenditures incurred by Takween Integrated Community Development, Value Investment in Sustainable Integrated Tourism in Esna Project in Egypt, cooperative agreement 72026320CA00006 from January 1 to December 31, 2023. Takween Integrated Community Development contracted with the independent audit firm Rizk Wadid Rizkalla 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 have an external quality control review that fully satisfies the standards' requirements as professional organizations in Egypt do not offer such quality control review programs. The audit firm is responsible for the enclosed report and the conclusions expressed in it. We do not express an opinion on Takween Integrated Community Development'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 Takween Integrated Community Development's internal controls; and (3) determine whether Takween Integrated Community Development's complied with the award terms and applicable laws and regulations. To answer the audit objectives, the audit firm conducted the subject financial audit that covered \$1,362,635 from January 1 to December 31, 2023.

The audit firm concluded the schedule of expenditures of USAID awards presented fairly, in all material respects, program revenues and costs incurred under the award for the period audited

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.

and did not identify any questioned costs. Additionally, the audit firm did not identify any material weaknesses in internal control or any material instances of noncompliance.

During our desk review, we noted an area for improvement which the audit firm should address in future audit reports. We presented this area in a memo to the controller of USAID/Egypt, dated August 4, 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.