



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: February 9, 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: Audit of the Schedule of Expenditures of Sustainable Engineering Solutions, Under Prime, AECOM Technical Services, Inc., Under Multiple Awards in West Bank and Gaza, October 11, 2022, to December 31, 2023 (8-294-26-003-N)

This memorandum transmits the audit report of the schedule of expenditures of USAID federal sub-award no. 17S18077AU20 managed by Sustainable Engineering Solutions Company (SES) under the prime implementer AECOM Technical Services, Inc. under the following USAID awards:

Award Name (Type)	Award Number	Period	Subimplementer
USAID West Bank and Gaza Architecture and Engineering Services (task order)	AID-294-TO-17-00006	October 11, 2022, to December 31, 2023	Sustainable Engineering Solutions Company
USAID West Bank and Gaza Architecture and Engineering Services (task order)	AID-294-TO-16-00007	October 11, 2022, to December 31, 2023	Sustainable Engineering Solutions Company
USAID West Bank and Gaza Architecture and Engineering Services (task order)	AID-294-TO-16-00012	October 11, 2022, to December 31, 2023	Sustainable Engineering Solutions Company

USAID/West Bank and Gaza contracted with the independent certified public accounting firm Forvis Mazar to conduct the audit. The audit firm stated that it performed its audit in

accordance with the U.S. Government Auditing Standards. However, it did not have an external quality control review because no such program is offered by professional organizations in West Bank and Gaza. 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 awards, laws, and regulations.¹

The audit objectives were mainly to (1) express an opinion on whether the schedule of expenditures for the period audited presented fairly, in all material respects, costs incurred, commodities, and technical assistance; (2) evaluate the auditee's internal controls; (3) determine whether the auditee complied with award terms and applicable laws and regulations, including Executive Order 13224 – Blocking Property and Prohibiting Transactions With Person Who Commit, Threaten to Commit, or Support Terrorism; and (4) conduct an audit of the auditee's indirect cost rates. To address the audit objectives, the audit firm conducted the subject financial audit, covering \$1,882,442 for the period from October 11, 2022, to December 31, 2023.

The audit firm concluded the schedule of expenditures presented fairly, in all material respects, costs incurred under the awards 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 identified no discrepancies in the application of the indirect cost rates or the fixed fee rate.

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

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.

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.