



MEMORANDUM

DATE: January 15, 2020

TO: USAID/West Bank and Gaza, Acting Mission Director, Courtney Chubb

FROM: USAID OIG Middle East and Eastern Europe (ME/EE) Regional Office, Audit Director, David Thomanek /s/

SUBJECT: Closeout Examination of Compliance on Al-Abbasi General Contracting Co. Ltd's, Wells Rehabilitation Projects in West Bank and Gaza, Subcontract 2013-0008, Under International Relief and Development, AID-294-TO-13-00018, May 23, 2015, to May 17, 2016 (8-294-20-013-O)

This memorandum transmits the final report on the closeout examination of Al-Abbasi General for Contracting compliance with terms and conditions of sub-contract 2013-0008, Arraba, Sanour and Saadeh Wells Rehabilitation Projects, under prime International Relief and Development's task order AID-294-TO-13-00018, for the period from May 23, 2015, to May 17, 2016. The International Relief and Development contracted with the independent certified public accounting firm El Wafa Company to conduct the examination. The audit firm stated that it performed the examination in accordance with U.S. Government Auditing Standards for attestation engagements and the attestation standards established by the American Institute for Certified Public Accountants. 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 Al-Abbasi General for Contracting's internal control effectiveness or its compliance with the subcontract, laws, and regulations.¹

The audit objectives were mainly to: (1) determine whether the auditee complied, with the terms and conditions of the sub-contract including compliance with Executive Order 13224 – Blocking Property and Prohibiting Transactions with Persons who commit, Threaten to

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 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 engagement performed.

Commit, or Support Terrorism; and (2) provide reasonable assurance of detecting fraud, illegal acts, or violations of provisions of the sub-contract. To answer the engagement objectives, the audit firm performed the subject examination that covered the period from May 23, 2015, to May 17, 2016.

The auditors did not identify any material internal control weakness, or material instance of noncompliance. The auditors also did not identify material instances of noncompliance with the Executive Order 13224.

The report does not include any recommendations for your action.

We appreciate the assistance extended during the engagement.

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").