



MEMORANDUM

DATE: September 14, 2020

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

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

SUBJECT: Closeout Examination of Shades' Compliance with Terms and Conditions of Fixed Amount Award 294-F-17-00003, Shades Negotiation Project in West Bank and Gaza, September 26, 2017 to September 25, 2018 (8-294-20-026-O)

This memorandum transmits the final report on the closeout examination of Shades' compliance with terms and conditions of fixed amount award 294-F-17-00003, Shades Negotiation Project in West Bank and Gaza, from September 26, 2017 to September 25, 2018. USAID/West Bank and Gaza contracted with the independent certified public accounting firm Deloitte & Touche M.E. 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 Shades' internal control effectiveness or its compliance with the award, laws, and regulations.¹

The examination objectives were mainly to: (1) determine whether the awardee complied with the terms and conditions of the fixed amount award including compliance with Executive Order 13224 – Blocking Property and Prohibiting Transactions with Persons who commit, Threaten to Commit, or Support Terrorism and (2) provide reasonable assurance of detecting fraud, illegal acts, or violations of provisions of the Task Order. To answer the audit objectives, 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 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.

firm performed the subject examination that covered the period from September 26, 2017 to September 25, 2018.

The auditors did not identify any material internal control weaknesses and did not identify any material instances of noncompliance with the agreement terms, conditions and applicable laws and regulations. The auditors did not identify material instances of noncompliance with 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").