



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

MEMORANDUM

DATE: May 10, 2022

TO: USAID/Jordan Mission Director, Sherry Carlin

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

SUBJECT: Closeout Audit of the Schedule of Expenditures of Engicon Company, Management Engineering Services Non-Revenue Water Program in Jordan, Contract AID-278-C-15-00005, January 1, 2019, to March 14, 2020 (8-278-22-018-N)

This memorandum transmits the final closeout audit report of the schedule of expenditures of Engicon Company, Management Engineering Services Non-Revenue Water program in Jordan, Contract AID-278-C-15-00005, from January 1, 2019, to March 14, 2020. USAID/Jordan contracted with the independent certified public accounting firm Ernst & Young - Jordan to conduct the audit. The audit firm stated that it performed its audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. However, it did not participate in an external quality control review program because Jordan 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 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 mainly 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 terms and applicable laws and regulations. To answer the audit objectives, the audit firm

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.

performed the subject financial audit that covered \$1,761,115 for the period from January 1, 2019, to March 14, 2020.

The auditors expressed an unmodified opinion on the schedule of expenditures and did not identify any questioned costs. The auditors did not identify any material weaknesses in internal control or any material instances of noncompliance. The audit firm issued a management letter.

During our desk review, we noted minor issues which the audit firm will need to address in future audit reports. We presented these issues in a letter to the controller dated May 10, 2022.

The report does not contain 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”).