



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

DATE: February 28, 2024

TO: USAID/West Bank and Gaza Mission Director, Amy Tohill-Stull

FROM: Middle East and Eastern Europe Regional Office, Audit Director,
Louis Duncan, Jr. /s/

SUBJECT: Close-out Examination of Hapoel Katamon's Compliance with the Terms and Conditions of Fixed Amount Award 72029420FA00001, Katamon Striking for Equality in Jerusalem Program in West Bank and Gaza, January 1 to December 29, 2022 (8-294-24-001-O)

This memorandum transmits the final close-out examination report on Hapoel Katamon's compliance with the terms and conditions of the fixed amount grant 72029420FA00001, Katamon Striking for Equality in Jerusalem program in West Bank and Gaza, from January 1 to December 29, 2022. USAID/West Bank and Gaza contracted with the audit firm Mazars to conduct the examination. The audit firm stated it performed the examination in accordance with attestation standards established by the American Institute of Certified Public Accountants and Government Auditing Standards issued by the Comptroller General of the United States. However, it did not have an external quality control review program because professional organizations in West Bank and Gaza do 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 Hapoel Katamon Jerusalem Football Club's internal control effectiveness or its compliance with the award, laws, and regulations.¹

The examination objectives were to (1) determine whether the awardee complied with the terms and conditions of the fixed amount grant, and (2) provide reasonable assurance of detecting fraud, illegal acts, or violations of provisions of the grant. To answer the engagement objectives, the audit firm performed the subject examination that covered \$499,263 for the period January 1 to December 29, 2022.

The auditors did not identify any material instances of noncompliance with the award terms, conditions and applicable laws, regulations, USAID Assistance and Acquisition Procurement Directives, and notices. The auditors did not identify any material weakness in internal controls.

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 examination engagement 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 examination engagement performed.

The auditors said that Hapoel Katamon is not subject to vetting requirements and certification regarding terrorist financing, as the program falls outside the scope of the mandatory provisions underlying mission order number 21, related to Executive Order 13224 – Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten To Commit, or Support Terrorism.

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.