

PD-HAC 537

54 Wilton Road  
Westport, Conn. 06880 USA  
(203) 226-7272

February 1, 1982

Ms. Ann Gooch  
NE/TECH  
Room 3314  
Agency for International Development  
Department of State  
Washington, D.C. 20523

Dear Ann:

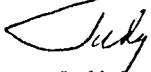
I am pleased to forward these twenty-five evaluations of projects completed by Community Development Foundation under Grant No. AID/NE G-1303. Each Project Evaluation Report has an Auditor's Report attached.

Note that the individual project evaluations were completed by the respective field worker who had major responsibility for that project.

As the remaining audits and evaluations are completed we will forward them to you.

Thank you for all your past assistance during this Grant period.

Sincerely yours,



Judith A. Obermeyer  
Director  
Middle East/Africa

jwl/13

enclosures: Evaluations and Audit Reports

79-0003	79-0009	79-0016	80-0044	80-0060
0005	0011	0051	0046	0061
		0057	0047	0062
0006	0013	80-0012	0052	
0007	0014	0043	0056	
0008	0015	0038	0058	

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**Programs**

**Domestic**  
American Indian  
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Inner Cities  
Southern States  
**Overseas**  
Africa  
Asia  
Europe  
Latin America  
Middle East

PROJECT EVALUATION REPORT

1. Project Name: Khza'ah Day Care Center
2. Project Number: 79-0003
3. Date on which the project was first suggested: January, 1979  
formally submitted: May, 1979  
effectively cleared: May, 1979  
fully implemented: July, 1979  
audited and evaluated: December, 1980

Was this an acceptable rate of progress? How could it have been improved? Yes, this was an acceptable rate of progress. The project is the first social facility constructed by the local village; as a result the leaders and the village council engineer were very supportive during the project implementation. This resulted in both a high quality of work as well as a good rate of progress in completion of the project.

4. The project which was carried out does not differ from the original project description and project implementation plan, because the project was given to a local contractor to carry out according to specific plans within a limited period of time. The contractor was able to carry out the project as agreed. Similarly the actual cost of the project was the same as the estimated cost.
5. This facility benefits about 80 to 100 children every school year. In addition, the four experienced local persons who were hired by the village council as regular employees, including three teachers and one attendant, directly benefit from this project. In actuality, the entire community of 4000 will benefit indirectly from this project through sending their children for pre-school education.
6. Project Budget:  
The planned project expenditures are the same as the actual expenditures. The project itself was submitted to CDF just after it was given to a local

contractor for implementation, resulting in the prices fixed as shown below:

No.	Type of Expense	Planned \$	Actual \$	Difference \$
1.	Construction of facility	14,520	14,520	-
2.	Furniture and educational materials	5,480	5,480	-

The project total cost was \$20,000.00 for both the construction and the furniture. CDF's contribution to this was 50% or \$10,000.00 which can be summarized as follows:

	<u>\$ CDF</u>	<u>\$ Community</u>
1. Construction of facility	7,260.00	7,260.00
2. Furniture and educational materials	<u>2,740.00</u>	<u>2,740.00</u>
Total:	10,000.00	10,000.00

I believe that this was the best use of funds allocated, since this amount was sufficient funding support for starting a new program.

9. Assessment of Project Impact:

This type of project is unique in this area of four neighbourhood villages. Children of Khza'ah village will be well-prepared for school through the training of the day care program. Also, the village council was able to use the roof of the day care building to construct a second floor for the use of the village council offices.

Through this facility Khza'ah Village Council was able to offer something to the children of the community. It is one of the major services needed in such a village to encourage people to be closer to their farms and relatives, and not leave for the neighbouring towns in hope of self-satisfaction. The village council was so affected by this project that it submitted to CDF new project ideas which represent further priorities in development.

10. Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report
4. Consultant Report

12. Based on all that has been learned, I recommend consideration of other types of projects in this community, because there are other institutions and services needed there. The community leaders fulfilled their commitment towards this project and they are very much encouraged to work hard for their community.

As soon as the project was completed, Khza'ah Village council suggested to CDF the next priority project which is a construction of a water tower. All needed documents for the suggested new project have been obtained easily.

**AUDITOR'S REPORT**

PROJECT:

No. GS79-0003

KHAZAAH DAY CARE CENTER  
Khaazah Village Council, Gaza Strip

page  
one of two

(3)

ILs      Ag      U.S. DOLLAR  
                                         EQUIVALENT  
                                         \$

ODP GRANT: 10,000.00

ALLOCATIONS & PROJECT BUDGET:

	Community Input	
Building/ Construction	\$ 7,260.00	7,260.00
Furniture & Education- al Materials:	-2,740.00	2,740.00
<b>Total:</b>	<b>10,000.00</b>	<b>10,000.00</b>

UTILIZATION OF ODP GRANT:

(1) Construction of the Building Refunded to the Village Council	165,000.00	7,378.93
(2) Playgrounds Fiber Glass Slide	26,320.00	781.24
(3) Furniture & Equipment	48,720.00	1,849.65
<b>Total:</b>	<b>240,040.00</b>	<b>10,000.00</b>

(e) Conversion of the ILs amount into \$s is according to exchange rate on pay day.

VILLAGE CONTRIBUTION

(1) 50% of the total cost of the building. The Village Council presented to ODP documents proving that the total cost was IL330,000.00 Equivalent to \$14,743.87 already paid by the Council:	165,000.00	7,371.93
(2) Equipment, Furniture, etc. The Village Council presented to ODP documents dated 1977 already paid by the Council:	9,623.00	959.00
(3) Cash value of the Operational BUDGET of the Center as prepared by the Village Council for the periods: 9.1.1979 thru 8.30.1980 calculated at the exchange rate of 27.97 IL to the dollar	100,000.00	3,575.25
<b>Total :</b>	<b>274,623.00</b>	<b>11,906.18</b>

AUDITOR'S REMARKS:

- (1) In our opinion, the only improvement of the Khaazah Day Care Center was worth \$2,630.89 only: items 2+3 "Utilization of Grant" above.
- (2) There is no proof that item (3) under "Village Contrib" was actually provided by the Village. What the Council presented was a mere OPERATING BUDGET for the COMING period. It does not even include "Furniture & Equipment", as stipulated by the Grant Agreement.

BEST AVAILABLE DOCUMENT

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PROJECT:

No. GS79-0003

Khasash Day Care Center,  
KHAZAAN VILLAGE COUNCILAUDITOR'S REMARKS continued from page 1

Further, the IL 100,000.00 budget was converted into dollar equivalent amount at the rate of IL27.97 to the dollar without deducting their expected income of fees totalling IL40,000.00 according to their expectations. They should have converted IL60,000.00 only on the assumption that the principle is acceptable to CDF, which we doubt.

AUDITOR'S RECOMMENDATIONS

WHEREAS THE BUDGET PERIOD ELAPSED TODAY (AUGUST 31, 1980), WE RECOMMEND THAT CDF ASK THE VILLAGE COUNCIL TO PROVIDE ACTUAL ACCOUNTS OF INCOME AND EXPENDITURE PLUS A STATEMENT OF CONDITION AS AT AUGUST 31, 1980 BEFORE A FINAL EVALUATION OF THE PROJECT.



Majed Ja'ouni, MScEcon, CPA  
CERTIFIED PUBLIC ACCOUNTANT

Jerusalem: August 31, 1980

BEST AVAILABLE DOCUMENT

PROJECT EVALUATION REPORT

1. Project Name: Palestine Women's Union
2. Project Number: 79-0005
3. Dates on which the project was first suggested:
 

	<u>September 1978</u>
formally submitted:	<u>January 1979</u>
effectively cleared:	<u>August 1979</u>
First allocation of \$25,000	
fully implemented in:	<u>November 1980</u>
Second allocation of \$25,000	
fully implemented in:	<u>May 1981</u>
audited and evaluated:	<u>June 1981</u>

4. This was not an acceptable rate of progress because of a delay in clearance by the authorities. The Social Welfare Department and the Palestine Women's Union had a disagreement over the registration of the newly opened nursery program. The Women's Union considered the nursery program an extension of their existing activities while Social Welfare looked on the program as a separate activity therefore requiring new registration. CDF was not given clearance until this problem was solved.
5. The number of people who currently benefit from this program is as follows:
  - a. 30 infants in the nursery program and their families
  - b. 150 children in the preschool education program and their families
  - c. more than 100 women trainees in the sewing and knitting center
  - d. approximately 25 women in the embroidery program
  - e. 1500 children (in all four centers) who the Minibus serves by transporting them to the Gaza Kindergarten Program.

This is almost the same as the earlier estimates. The only difference is that the Minibus serves four centers now because an additional center was opened early this year.

6. Project Budget:

<u>Type of Expense</u>	<u>Planned</u>	<u>Actual</u>	<u>Difference</u>
Minibus	\$ 8,000	\$25,000.00	+ \$17,000
Washing Machine	-	867.73	
2 Refridgerators	2,684	3,378.15	+ 694.15
Stove	631	385.67	- 322.52
Moulinex Mixer	-	597.17	+ 597.17
Furniture and Materials	-	7,544.74	+ 7,544.74
Sewing and Knitting Machines	-	14,687.03	+ 14,687.03

The major difference was in the price of the Minibus. Initially, CDF planned to pay for a Ford Minibus but the Women's Union decided that they wanted a Mercedes because it would be easier to maintain in Gaza spare parts are more readily available. The price listed in the project description was for a Ford bus and was estimated to be \$26,000 with customs and VAT.

The Mercedes bus costs \$37,000 including 12% VAT and 20% custom tax. Therefore, the original \$25,000 allocation to the project was used, as requested by the president of the Women's Union, for furnishing and equipping their center in Gaza City.

At a later point in time, additional funds were granted to the same project (790005) as described below:-

1. \$18,000 was raised through the efforts of the fund raising department of Save the Children Federation.
2. \$7,000 was granted from USAID, which was mainly to cover part of the price of the Mercedes. The total allocation of the project has been raised now to \$50,000 consisting of the three parts:-
  - a. Original USAID grant of \$25,000
  - b. Private contribution of \$18,000
  - c. Supplemental USAID grant of \$7,000 for the purchase of the minibus.
7. In my opinion that was the best use of the funds allocated. All items purchased were very much needed by the center.
8. The project implementation and reporting was very satisfactory.

9. The new nursery program was a pioneer project in itself. It introduced to the Strip a basic and important facility to help working mothers involved in job responsibilities. Mothers feel that their children are safely cared for and this feeling reflects on their work, their own family-care later at home, and as a result on the society as a whole. Such centers give her a chance to work and be an effective member in the society, as well as share the family financial responsibilities.

The sewing, knitting and embroidery programs provide an opportunity for a large number of women to be trained in skills which help them to find employment. At the same time there are a number of seamstresses who are employed at the Center in a small industry which provides the Center with an income and helps it in the long run to expand its range of activities.

In the Kindergarten program basic educational services are provided for approximately 150 children; basic educational concepts and preparation for school. The Minibus is a great help to all four centers. It facilitates the co-ordination of the work, food and clothes distribution to needy families and the transportation of the children to the pre-school program in the main center.

10. Attachments:

Project Description

Project Agreement

Auditor's Report

Photographs

11. There is no need for any further follow-up on this project. The Palestine Women's Union has proved and demonstrated a high efficiency in managing the activities they are involved in.

12. I would recommend further projects of this type with the same organization, The Gaza Strip needs more and more centers such this especially in villages and communities where income is low. The Women's Union is capable of managing new centers.

COMMUNITY DEVELOPMENT FOUNDATION

Auditor's Report

Project: PALESTINE WOMEN'S UNION

Proj. No. OS-79-0005

DAY CARE CENTER

CDF GRANT: \$ 25,000

PWU received the grant amount in three instalments:

(1) Chq. No. 2579	Dis.V.No. 024	dated 9.30.1979	Amount \$ 10,000
(2) " " 4150	" " 194	" 7.21.1980	" 10,000
(3) " " 4203	" " 208	" 9.09.1980	" 5,000

25,000

Grant Agreements: Not Signed.

273

4.11.81

1.16.81

10,000

10,000

5,000

PWU Contributions: Operational Budget of \$ 47,000.00

Grant Allocations: Not Set.

Purchases Attributed to CDF Grant:

	IL.	U.S. \$ EQUIVALENT
20 beds for children	21,000.00	1,146.90
2 4-shelve steel cabinets	2,400.00	131.10
Kitchen Cupboards	12,489.00	682.09
200 Chairs for Children	37,000.00	1,451.00
3 Tables	20,000.00	1,097.03
<b>total</b>	<b>100,889.00</b>	<b>4,508.12</b>

N.B. ALL ABOVE ITEMS WERE PURCHASED PRIOR TO RECEIVING THE FIRST INSTALMENT OF CDF GRANT

1 Stove	15,500.00	385.67
1 Mixer	24,000.00	597.17
1 Westinghouse Refrigerator	72,000.00	1,452.95
1 Hoover Washing Machine	43,000.00	867.73
<b>TOTAL TILL 6.9.1980</b>	<b>IL 255,389.00</b>	<b>7,811.64</b>

Purchases Considered as PWU Contributions:

Gas Bottle and Regulator	580.00	32.33
Bed Covers	800.00	44.00
20 Spring Mattresses	24,000.00	1,320.14
Cloth for embroidery	28,955.90	1,584.67
"Amcor" Refrigerator	35,000.00	1,925.20
<b>total</b>	<b>89,335.90</b>	<b>4,906.34</b>

N.B. ALL ABOVE ITEMS WERE PURCHASED PRIOR TO RECEIVING THE FIRST CHEQUE FROM CDF

2 Rugs	2,000.00	55.48
<b>TOTAL TILL 9.1.1980</b>	<b>91,335.90</b>	<b>4,961.82</b>

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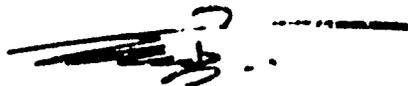
C.D.F.

Palestine Women's Union, Gaza      Proj.No.OS-79-2005      Auditor's Report cont'dAuditor's Remarks:

- (1) PWU bought most of the above items during the period July thru September 1978.  
First CDF chq was issued to the Society on 9.30.1979.
- (2) The 1st. chq. No. 2579 was earmarked for (Knitting & Sewing Machines) WHY ?! Knitting and sewing machines are part of PWU Project No. OS-0039 not this one !
- (3) The 2nd chq. No. 4150 was issued on 7.21.1980 after the stove, mixer, refrigerator, and the washing machine were bought. By then, it was known that the total price of those four items was \$ 3,303.52.  
WHY was the chq written in the amount of \$ 10,000 and earmarked for three of those four items ?!

Auditor's Recommendations:

- (1) DRAW CLEAR CUT GRANT AGREEMENT TERMS.
- (2) REALLOCATE THE \$ 25,000 GRANT .



Majed Ja'ouni, MBA MSo CPA,  
CERTIFIED PUBLIC ACCOUNTANT

c.o. - Gaza File.  
- Auditor's Reports file.

PROJECT EVALUATION REPORT

1. Project Name: The Society for the Care of Handicapped Children - Gaza
2. Project Number: 79-0006
3. Date on which the project was first suggested: January 1979  
formally submitted: January 1979  
effectively cleared: October 1979  
fully implemented: January 1980  
audited and evaluated: January 1981

No, the rate of progress was not an acceptable one. The project was delayed for almost one year for reasons that were beyond the control of the CDF project co-ordinator. The project was delayed in clearance from the Israeli authorities.

4. The project was carried out according to the original project description and project implementation plan.
5. The children who will actually benefit from the project are 60 educable and trainable mentally retarded children within the physical age of 5-16 years. This number has increased from the earlier estimation by five children.

6. Project Budget:

Type of Expense	Planned \$	Actual \$	Difference \$
Slide Projector	-	-	-
Singer film strip project	-	-	-
2 cassette recorders	-	-	-
Film strips and rolls	-	Total: 960.71	-
Spirit duplicator	-	Total: 2,389.43	-
Thermo-copying machine	2,000		+ 389.43

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Type of Expense	Planned \$	Actual \$	Difference \$
4 overhead projectors with accessories	-	2,703.44	-
Sharp calculator	-	205.14	-
Hoover clothes washing machine	1,000	831.10	- 168.90
Ancor freezer	1,550	1,098.29	- 451.71
Electric heaters	-	5,576.69	-
Educational training materials	500	24.57	- 475.48
Knitting machine with accessory parts	1,250	112.88	- 337.12
Sewing machine	310	-	-
Carpentry equipment	1,300	-	-
Musical instruments	500	-	-
Bicycles	500	-	-
Electric oven	600	-	-
Electric mixer	30	-	-
Movie projector/screen/camera	3,836	-	-
Solar heater for water	750	-	-

Due to the urgent need, some of the items listed in the project description were either purchased by the Society or received as donation in-kind from local people long before the project was cleared.

7. In my opinion, this was the best use of the funds allocated to the Society. The overhead projectors, slide projector, recorder and film projector improved the methods of teaching the children. The center provides the children with two meals daily. Therefore, they have to have storage of the food supply. In addition, they often receive food donations and had to purchase the freezer to store them whenever they received.

Most of the children at the Sun Day Care Center come from very poor areas of Gaza. Supervisors pay special attention to having their uniforms clean,

washing them on a regular basis. The washing machine was a basic item that they needed to purchase.

8. The project implementation and reporting was done in an organized and professional way. I have no suggestion on improvement because I was satisfied with the process as it progressed.

What should be mentioned here is that in addition to the organization's operational budget of the year 1978, CDF was also provided with receipts worth \$16,900 which the Society for the Care of Handicapped Children used to purchase a minibus and materials for their sheltered workshop. The Society's contribution toward the project exceeded \$37,000.

9. Because the children are mentally retarded, their ability to concentrate is limited and this was the reason they needed the different pieces of educational equipment. It helped both the teachers and the children to be more creative and to make the best use of their time at the Center. Now, with the overhead projector, the teacher does not have to turn her back to the children to draw a picture or write a word. While facing the children, she can visually draw and write and the children are completely attentive to her. The number of children possible in one classroom has increased because the teacher is able to have more control.

The teachers experienced difficulties in teaching names and descriptions of different objects, places, etc. The slide projector helped a great deal in this respect. Through the projection of different pictures taken in previous trips, the children see themselves in color in different situations i.e., around trees, in houses, etc. This activates their memory and helps them to describe and later draw with the same natural colors that they have already seen and experienced. Many of the children have problems with their speech and with their ability to pronounce certain words correctly; the teacher takes time with each child to train him (or her). The recorder is used and the child can hear the difference and realize his own mistakes.

As another way of improving the children's ability to learn, many times they are provided with learning pictures and materials to work with. In addition,

and at different stages, the children have to sit for certain exams so that the teachers can measure the level of improvement. The spirit duplicator and the thermo-copying machine are helpful in reproducing the various standard educational materials the Center has, as well as in the general administrative work of the center.

The children who come mainly from poor income areas stay eight hours a day at the center six days a week. They are provided with two meals a day. Food supply is bought on weekly basis and often received in large quantities as donations. The deep freezer was most helpful and convenient to the Center for storing food.

The supervisors always make sure that the children have clean uniforms and towels. The students are provided with two uniforms and two towels when they are accepted at the Center. In the process of training, children are taught basic hygiene and their uniforms and towels are always kept clean. The washing machine was one of the basic pieces of equipment needed. As for the long term effects, the teachers now have the different educational equipment that they can use to help implement their knowledge of the methods of training and educating the children. Through their own experience, their efficiency in teaching will be maximized and they will be able to focus more on the needs of the children. The children will receive the education and training offered and will improve their condition in a way that will enable them to take better care of themselves and, in many cases, support themselves in the future. The importance of it is that they will be helped to no longer be a burden on their families and society. They are helped to adjust as much as their abilities allow them.

10. Attachments:

- a. Project Description
- b. Project Agreement
- c. Auditor's Report

11. I don't think that further follow-up is necessary. The people at the Center have shown that they are efficient, sincere and dedicated to their responsibilities toward the retarded children.

12. I would recommend consideration of other projects with this organization. Now, they are in the process of expanding their activities to be able to have more children and introduce better facilities. It is possible that CDF would participate further in the development of their much needed work.

The Sun Daycare Centre,  
The Society for the Care of Handicapped Children,  
Gaza

## AUDIT REPORT 16 &amp; 17 April 1980 - Gaza

To: Mr. Thomas Neu, Project Manager,  
Community Development Foundation  
Project Coordinator: Ms. Nadia Basiso  
Total amount of CDF Grants: \$ 15,000 PAID in Full

Auditor's Remarks

(1) Allocations & Disbursements: Till 4.17.1980	DISBURSEMENTS		ALLOCATIONS
	In Israeli Liras	U.S. \$ Equivalent	U.S. \$
Knitting Machine	30,755.00	912.88	1,250.00
Bng Making Materials	825.00	24.57	
Hoover automatic Washing Machine	28,000.00	831.10	1,000.00
Amcor Freezer	37,000.00	1,098.29	1,550.00
Stencil Duplicator "Spirit Box Rotary" accessories	30,832.60 <u>3,845.64</u>	1,371.36	1,000.00
Photo Copier "Thermo Box Rotary" accessories	24,418.80 <u>3,633.09</u>	1,178.83	1,000.00
Projectors, Screen, & Accessories	62,999.81	2,469.62	3,836.00
(2) PURCHASES NOT ALLOCATED FOR :			
Eighteen Electric Heaters	187,179.00	5,576.69	-0-
"Sharp" Calculator	6,460.00	205.14	-0-
Two Casset Recorders	7,207.20	282.48	-0-
(3) ITEMS NOT PURCHASED YET			
Sewing Machine	-0-	-0-	310.00
Carpentry Equipment	-0-	-0-	1,300.00
Musical Instruments	-0-	-0-	500.00
Bicycles	-0-	-0-	500.00
Electric Mirror	-0-	-0-	30.00
Electric Oven	-0-	-0-	600.00
Solar Heater for Water	-0-	-0-	750.00
Educational Materials ? for price fluctuations	-0-	-0-	500.00 874.00
<b>T O T A L</b> till 4.17.1980	<u>425,226.14</u>	<u>13,940.96</u>	<u>15,000.00</u>

continued on page 2

The Sun Daycare Centre,  
The Society for the Care of Handicapped Children, Gaza.

## AUDIT REPORT 16 &amp; 17 April 1980 - Gaza

- (4) There is still \$ 1,059.04 to be spent.
- (5) The Society did not abide by "Allocations".  
It is necessary that the Project Coordinator draw a detailed list of purchased items and suggest to ODF approval of the deviations.
- (6) Purchase Orders are not numbered. They are not posted on the accounts sheet.

(7)

ELM Co. invoice No. 1230 plus their receipt No. 791 (undated) are for IL95,185.00. Items bought are three overhead projectors and one 16mm film projector.

ODF Purchase Order dated 1.29.80 is just for the three overhead projectors. WHY? If there is a reason for not considering the 16mm film projector among Society purchases, then it should be necessary to amend amount of ODF P.O. taking into consideration the 7% discount and the 12% VAT added. Result would be:

Three overhead projectors:	IL29,047.00	=	805.30
one 16mm film projector :	<u>66,138.00</u>	=	<u>1,834.60</u>
total	<u>95,185.00</u>		<u>2,639.90</u>

- (8) According to provisions of the Grant Agreement, the Society has to contribute the equivalent of \$ 21,000.00 in "Operational Expenses". ODF does not have a "Statement of Income & Expenditure" of the Sun Daycare Center.  
In such a case the expenses should be during a specified period of time following the Agreement.

- (9) The Society suggested to replace its commitment under (8) above by "FORD" mini bus purchased by the Society per invoice No. 8927 of the Ford Agency in Tel-Aviv on 9.26.1979. Its price & cost is IL454,595.  
= \$ 16253-

Majed Ja'ouni, MScBoc, CPA  
CERTIFIED PUBLIC ACCOUNTANT

BEST AVAILABLE DOCUMENT

78

PROJECT EVALUATION REPORT

1. Project Name: Rafah Library
2. Project Number: 79-0007
3. Date on which the project was first suggested: October, 1978  
formally submitted: January, 1979  
effectively cleared: June, 1979  
fully implemented: February, 1980  
audited and evaluated: August, 1980

Was this an acceptable rate of progress? How could it have been improved?

Yes, it was an acceptable rate of progress, except for delay in the clearance of the project which lasted for 6 months. After the clearance, work on the project progressed well.

The implementation period could have been somewhat shorter if the community had bought already-made furniture and equipment. To get a better price and higher quality the community had to wait a longer period of time to have them made.

4. There were a few differences between the project which was actually carried out and the original project description. They can be summarized as follows:
  1. Timing of the implementation: The project was planned to begin in February, 1979 and to be completed by April, 1979. Actual implementation started on July, 1979 and was completed by February, 1980. Reasons for delay are mentioned above.
  2. Purchase of equipment: Two pieces of equipment were planned for purchase but actually were not. They were:
    - a) a movie projector;
    - b) an English typewriter.

These differences between the original project and the project actually carried out can be accounted for by a higher cost of the furniture due to the change from

metal shelves and cupboards to wooden shelves and wooden furniture. As a result, there were not enough funds to purchase the additional equipment. The added quality and better workmanship has proved a better investment.

5. Project Beneficiaries: Approximately 15,000 persons in the village of Rafah benefit from this project, including primary school children, students and undergraduate students who are interested in reading and research in general topics such as social and sports studies, Arabic literature. Newspapers and magazines and short stories are also available as well as material for those interested in religious research. This does not differ from the earlier estimate.
7. Project Expenditures: Auditor's report is attached. In my opinion, this was the best use of the funds allocated because the community was able to get the basic needs of a library which are books and references, shelves, cupboards, tables and chairs.

The changes which were made by the community were a better use of funds because they resulted in higher quality of shelves and cupboards which will need less work, less maintenance and will last a longer time.

9. Assessment of Project Impact: Rafah Library is considered the first public cultural center not only in Rafah, but in the Gaza Strip. The main purpose of the library is to meet the basic educational and cultural needs of the people in Rafah. The community of Rafah was able to carry out this project considering it as priority one. The actual library is the beginning of a huge cultural center which is one of the town's basic needs. The direct effect of the project is reflected on the people who can come to read whatever they desire. The purchase of equipment and books for the library made good use of the funds allocated by CDF.

CDF acceptance of this project encouraged the community to construct the building although they had no money to furnish it. CDF's contribution allowed them to purchase what they would need. The indirect effects of the project can be seen in the neighbouring communities who are now encouraged to think of similar projects and are applying to CDF for assistance.

The library project also encouraged many people to donate books, furniture and money which further increased the facilities available to Rafah citizens.

10. Attachments:

- a. Project Description
- b. Project Agreement
- c. Auditor's Report

11. CDF allocation to this project was \$10,000 for the purchase of books and furniture. This contribution was matched by the community's contribution for the construction of the library. At a later date in February, 1980 the community requested an additional grant. CDF approved an additional \$3,500 in April, 1980. Throughout the whole of 1980 the community could not raise funds to match CDF's contribution; thus, in December, 1980, CDF decided that the additional funds would be withdrawn by March, 1981, which gave two months notice to the community. The additional grant was cancelled because the community could not get any further contributions.

12. Based on all that has been learned before, I recommend consideration of other projects of this type because such projects are very much needed in the communities of the Gaza Strip where there are no public cultural centers. The importance of such projects in an over-populated area is profound.

Also I do recommend consideration of other projects in the future in this community because it is so much in need of many creative projects. The town is growing and therefore it is in need of other development projects to cover all basic needs. The leaders of this community are very much encouraged to submit to CDF other projects for assistance.

6. Project Budget:

No.	Type of Expense	Planned			Actual			Difference
		Description	Quality	Total Cost	Description	Quantity	Total Cost	
1.	Books & Reference materials			\$5,000			\$2,803.34	2,196.66
2.	Shelves & cupboards	Metal		2,500	Wooden		3,739.53	1,239.53
3.	Chairs	Wooden	300	3,000	Wooden	100	1,540.28	1,459.72
4.	Large Tables	Wooden	6	300	Wooden	6	637.09	337.09
5.	Small Tables	Wooden	20	400				
6.	Desks	Metal	2	260	Metal	2	243.12	16.88
7.	Typewriter (Arabic)	Olivetti	1	965		1	540.92	424.08
8.	Typewriter (English)	Olivetti	1	500				
9.	Movie projector	Yamawa	1	631				
10.	Conference table & chairs	Wooden	One table \$ 10 Chairs	700	Wooden	two sets	471.70	228.30
11.	Cupboards				Metal	2	157.31	
12.	Desk Chairs				Metal	3	182.34	
13.	Counter				Wooden	1	265.45	
	Total (\$)			14,256			10,581.08	

The actual expense for the project is \$10,581.08  
CDF Allocation to the project is \$10,000.00

Contributed by the Community \$ 581.08

CP

**AUDITOR'S REPORT**

**PROJECT:** No. US79-2007  
Rafah Public Library  
RAFAH MUNICIPALITY

U.S. DOLLAR  
ILs Ag EQUIVALENT

**GDP GRANT** 297,446.41 10,000.00

**ALLOCATION OF GRANT:**

Shelving		4,800.00
Books + Chairs		5,200.00
<b>Total</b>		<b>10,000.00</b>

**UTILIZATION OF GDP GRANT:**

Purchase of books	70,462.00	2,637.86
Arabic Typewriter	19,900.00	566.59
Furniture + Fixtures	199,446.41	6,706.55
<b>Total utilized</b>	<b>297,446.41</b>	<b>10,000.00</b>

**MUNICIPALITY CONTRIBUTION**

Rafah Municipality furnished as counter contribution, building of the Library which costed 772,186.41 40,241.44 included in Municipality contribution 1526.59 settlement by the Municipality of the joint a/c overdraw.

**OTHER DONATIONS TO THE LIBRARY:**

The Library received, during the opening day, the following donations:  
 \$1,000 worth of books from the Islamic Cultural Center, Kingdom of Jordan.  
 IL20,000 Cash from the Military Governor.  
 IL30,000 Cash from Local Citizens.  
 In addition to books, rugs, etc donations in kind.

**Auditor's Remarks**

Proper detailed invoices of the books and furniture were presented for examination.

Official Municipality documents and vouchers supported the expenditure on the building.

  
 Majed Ja'ouni, MScAcc, CPA  
 CERTIFIED PUBLIC ACCOUNTANT

Jerusalem: August 31, 1980

PROJECT EVALUATION REPORT

1. Project Name: Beit Hanoun Youth Club Library and Playground
2. Project Number: 79-0008
3. Date on which first suggested: (Library) Sept., 1978 (Playground) Sept., 1979  
 formally submitted: Jan., 1979 Dec., 1979  
 effectively cleared: May, 1979 Feb., 1980  
 fully implemented: Oct., 1979 March, 1981  
 audited and evaluated: March, 1981 March, 1981

Yes, that was an acceptable rate of progress. Although they had to wait four months for clearance, the supervisors of the Youth Club needed that time to prepare their implementation plan. This Youth Club at Beit Hanoun village is an independent body from the village council.

4. The project which was actually carried out did not differ from the project description or the project implementation plan.
5. The persons who will actually benefit from this project are the 3,000 members of the Youth Club and local residents who use the Club for other activities. This doesn't differ from earlier estimates.
6. Actual project expenditures were according to what was planned in the project budget.
7. In my opinion, this was not the best use of the funds allocated. There appeared to be internal conflicts in the village which affected the relationship between the head of the Youth Club and the contractor who carried out the work of preparing the playgrounds. The result was not as satisfactory as it should have been. Although funding was tightly controlled with a joint CDF/Village account, the Youth Club itself was not able to press the contractor for better work due to the internal conflicts with the village. As a result, the quality and efficiency of the work suffered somewhat.

8. There were no critical points raised in the auditor's report.
9. The project was very much needed by the youth of the village simply because there were no other places where the youth could go to spend their leisure time in recreational activities.

The Beit Hanoun Youth Club people approached CDF to help establish the library and prepare the playing fields. Their intention and motivation was to make this Center an enjoyable place for the youth to come; the youth were very enthusiastic about the Center and very co-operative. They felt that they were going to have something important for themselves and the village.

Due to certain difficulties and internal conflicts the village is experiencing, the Center is not as fully used as it should be.

In the future, villagers hope that it will be used to offer social, cultural and athletic activities and that disputes in the village will be settled enabling greater use of the Center.

10. Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report
4. Consultant Report

11. No further follow-up is required.

12. I recommend other projects of this type and other projects with this community because they are in need of many types of services. As for this organization, the Youth Club, I recommend that they be asked to demonstrate more Facility in carrying out programs before CDF works with them again on any project.

AUDIT REPORT 16 & 17 April 1980 - Case

To: Mr. Thomas Neu, Project Manager,  
 Community Development Foundation

Project Coordinator: Ms. Nadia Basiso

Total Amount of Grant paid : \$ 5,000.00 *Dr. 7 Chq. 1951 Ps. 31.75*

Auditor's Remarks

- (1) Accounts Sheet of this project is ideal.
- (2) Allocations and disbursements were as follows:

Particulars	ALLOCATIONS	DISBURSEMENTS	
	US DOLLARS	Israeli Liras	US Equivalent
a. Shelves & cupboards	632.00		
Two shelves		15,000.00	
Four cupboards		10,000.00	1,023.75
b. Tables & Chairs	790.00		
2 Big, 6 Small Tables		6,000.00	
60 Chairs		15,000.00	
one Desk		1,200.00	921.35
c. General Supplies ?!	480.00		
2 Fans		6,050.00	
Door		1,500.00	
Curtains		1,620.00	
Maintenance		2,825.00	
Office Equipment		2,825.00	
Stationery		4,177.00	777.90
d. BOOKS PURCHASED	3,158.00	55,595.40	2,277.00
<b>T O T A L</b>	<b>5,000.00</b>	<b>122,092.40</b>	<b>5,000.00</b>

Note the overexpenditure in items a,b,c . This needs OMF decision on the amendments.

- (3) All disbursements were supported by accepted invoices and receipts.
- (4) The \$ 5,000 Grant was deposited in a bank account from which amounts were transferred into an ILS Bank account according to the daily quoted rates of exchange.

Project Coordinator counter signed every cheque drawn by the Club.  
 This arrangement is excellent.

BEST AVAILABLE DOCUMENT

## BEIT HANUN YOUTH CLUB LIBRARY

## AUDIT REPORT 16 &amp; 17 April 1980 - Gaza

- (5) Bank a/c No. 80130, Hapoalim Gaza, is overdrawn by IL 43.05.  
It seems that the amount is "Bank Charges".  
The Club should settle the account.  
The Bank may be approached to write it off.
- (6) Beit Hanun should have contributed \$ 5,000 towards the project from its own funds.  
In lieu of a programming budget which should have started by the time the Grant Agreement was signed (6.1.1979), CDF accepted the Capital Expenditure on the building of the Club implemented two years ago by the Village Council at the cost of IL 272,496.00 equivalent to \$ 17,057.00
- (7) Clause 2(e) Section (I) of the Grant Agreement provide for "ready identification and location of items acquired thru the grant".  
Therefore, it is our suggestion that every book be stamped "C.D.F."
- (8) Appended to the "Final Report" referred to in article 3(c) Section (I) of the Agreement, we suggest that a complete list of the books is arranged.
- (9) It is necessary to remind "Beit Hanun Youth Club" that their books, records, and documents are subject to auditing according to article (4) Section (I) of the Agreement.

Majed Ja'ouni, M.B.A., CPA  
CERTIFIED PUBLIC ACCOUNTANT

BEST AVAILABLE DOCUMENT

PROJECT EVALUATION REPORT

1. Project Name: Lawyers Society Community Library
2. Project Number: 79-0009
3. Date on which the project was first suggested: December, 1978  
formally submitted: January, 1979  
effectively cleared: August, 1979  
fully implemented: October, 1980  
audited and evaluated: April, 1981

This was not an acceptable rate of progress, because clearance was delayed one year. After clearance, the progress was rapid and satisfactory.

Due to the process involved in clearance, there was nothing that CDF could do to shorten the clearance period.

4. The project which was carried out differed little from the original project description - the Lawyers Association set up their legal library as designed and then also expanded it to include other reference materials that are helpful to both lawyers and other research workers involved in the fields of history and literature.
5. The people who will actually benefit from this project are all those affiliated with the law profession such as court clerks, judges, representatives of the attorney general, legal consultants of various departments, all people who work on research and need reference materials as well as all the lawyers who are members of the Association.

6. Project Budget:

Type of Expense	Planned \$	Actual \$	Difference \$
Criminal law collection and selection of law books		732.41	
Reference material and law books		1,084.29	
Selection of law books		822.90	
Criminal law and general selection of books		2,486.27	
Dictionary of El Sihah		86.69	
Arabic Literature		207.47	
British Encyclopedia and Atlas of the World		742.50	
Reference materials		376.37	
Islamic Art Encyclopedia		990.00	
Selection of references		334.22	
Selection of references		1,056.00	
Collection of law books and Colliers Encyclopedia		666.45	

Many books of the collection stated in the project description were contributed by the British Council and mentioned in the community expenditure sheet.

7. In my opinion, the lawyers made the best use of the funds allocated to the project. They have established the first library of its kind in the Gaza Strip.
8. Project implementation and reporting went satisfactorily. The lawyers proved to be very efficient in implementing the project according to their needs.
9. In Gaza, there is only one legal government library which is housed in the courthouse building. Usually, there are difficulties in using the

resource materials of this library because it is open for very limited hours. In addition, as the library is primarily organized for the use of the courthouse, it is not possible for lawyers to borrow many of the books, there being only one copy of each particular book which must be available at all times for court review.

All lawyers and people practicing in the law profession in the Gaza Strip have access to the Lawyer's Association Library. Using this facility is of great assistance to these people who can now look up any information they need to better defend their cases.

After the formation of the library, the Association organized a committee to assist and direct new lawyers. Research and lectures are organized under the supervision of lawyers who are older and more experienced in the profession. The Association's library is the backbone of this most helpful project. The material available encourages more research work in the field of law.

Subscription of different periodical law publications has been established by the library, enabling the lawyers to have a global focus on legal issues and bringing them closer to the international community.

The library itself has brought about direct assistance and help to the lawyers themselves. Any advancement on their part would reflect on the whole community. The practice of the profession by knowledgeable people will have a positive effect on the society itself.

The library is also available to the other groups of people interested in research work. The Lawyers Library will serve as a model and will encourage other groups to follow the same pattern. One immediate influence has been on the Medical Association which is now in the process of organizing its own professional library.

10. Attachments:

Project Description

Project Agreement

Auditor's Report

Photographs

11. No further follow-up is needed. The lawyers have established very good contacts with cultural centers and other legal groups, both in this area and abroad. They have considered different ways of how to make the best use of the library and are in the process of implementing them. They have hired a librarian who has proved to be efficient and responsible.
12. I would recommend other projects of this type. The Medical Association would welcome any assistance from CDF to establish their own professional library.





YMCA youth department members	200
Surrounding community	200
Leadership training	30 per session
YMCA young adults	30

The number of beneficiaries stated in the project description is 2,000 persons which is approximately the number of persons benefiting from this project now. It is expected that this number will change in the future when additional programs are adopted.

6. \$1,000 of CDF, allocation was spent on installing electric lighting in the playing fields. \$3,000 of the allocation was spent on the improvement of the building for the YMCA youth activity program.

All of the CDF allocation for the youth program was spent on renovation of the building; the community paid for the furniture and equipment.

7. In my opinion the YMCA made the best use of the grant given by CDF.
8. The project implementation and reporting process was a satisfactory one.
9. Through this project, the YMCA has provided its members as well as members of surrounding community, with an improved sports facility. Different sport teams use the playing fields throughout the year to practice and to play with other teams from other youth activity centers. In summer, and during the three months of summer holiday, the courts are used in the evenings when the weather is cooler.

It is extremely important for the Gaza Strip to have an organization such as the YMCA where youth can participate in constructive activities. There are too few chances for such play and activities in Gaza.

The project also has given the youth development program a much needed indoor accommodation that has been used to provide various recreational and educational activities. A longer term effect has been to help the YMCA with its general development plan. From activities like this, it is to be hoped that the leaders of the future will emerge.

10. Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report
4. Photographs

11. There is no need for any further follow up on this project. The YMCA leaders are organized and making good use of the playing fields. The responsibility of the youth development program is with an international volunteer who appears very capable in running the program.

12. I recommend other projects of this type and with this organization. The Gaza Strip needs assistance to improve the facilities of the youth activity centers because they are the only places available to the youth to spend their leisure time.

COMMUNITY DEVELOPMENT FOUNDATION  
Auditor's Report

Project: Y.M.C.A. GAZA

Proj.No. 08-79-2011

Reference:

My report on the same project dated 4.17.1980.

Auditor's Remarks

- (1) I did not receive any explanation concerning Village Payment Voucher No. 9 dated 12.12.1979 amounting IL 130,000 Equiv. \$ 3,858.71.

THIS VOUCHER IS NOT ACCEPTABLE.

- (2) Terms of the Grant Agreement are not reconsidered yet.

Therefore, I still consider this project as incomplete.

3.17.1981



Majed Ja'ouni, MBA MSc CPA,  
CERTIFIED PUBLIC ACCOUNTANT

c.o.- Gaza Office  
- Auditor's Reports file

BEST AVAILABLE DOCUMENT

PROJECT EVALUATION REPORT

- 1. Project Name: Fisherman's Co-operative
- 2. Project
- 2. Project Number: 80-0012
- 3. Date on which the project was formally submitted: January, 1979  
effectively cleared: July, 1979  
fully implemented: August, 1981  
audited and evaluated: November, 1981

This was not an acceptable rate of progress because of the delay caused by the company through which the ice machine was ordered. Delivery of the machine was later than expected.

4. There was no change from the original project description.

5. Beneficiaries:

The number of people who currently benefit from this program is 1,356 fishermen and their families. This is the same as earlier estimates. <sup>6136</sup>

Previously they had had to buy ice to preserve the fish which was an expensive procedure. They discovered that by having their own ice machine, they could lower their costs. They are now able to gain a small profit which will allow them to expand their own activities into perhaps selling ice and possibly buying a refrigerator to help market their fish.

10. Attachments:

- 1. Project Description
- 2. Project Agreement
- 3. Auditor's Report

11. Follow up is recommended by having experts examine the machine as it has already undergone repair several times.

12. I recommend working with these people again as fishing is one of Gaza's primary industries and the organization is capable of carrying out good projects.

COMMUNITY DEVELOPMENT FOUNDATION

Auditor's Report

Project: Al-Tawfik Fishermen's Coop, Gasa Proj.No. GS-79-012

CDF Grant : Basically \$25,000  
Actually paid: \$25,390

Grant Agreement: Signed on September 3, 1979  
Need Adjustment to include the extra \$390.00

CDF Paid Grant Plus The Extra In Full :

- (1) \$ 10,000 Disb.V. 17 Chg.No.2565 08.30.1979 for the 1/3 of Credit
- (2) \$ 15,000 " 28 " " 2599 11.21.1979 for the 1/3 of Credit
- (3) \$ 390 " 42 12.30.1979 for Marine Insurance

25,390 TOTAL CDF GRANT

Utilisation of CDF Grant: Fully utilized as shown above in importing an  
"Inco-Ziegler Crushed Ice-Making Machine" Type 5000 (Kg/24hrs).

Community Contributions: The 23 Village Payment Vouchers were payments towards  
the following two items:

<u>Description</u>	<u>ILs</u>	<u>Equivalent</u>
(1) Construction of two rooms (*)	330,691.42	\$ 4,894.47
(2) Refrigerator	179,367.80	8,824.25
<b>TOTAL (till 3.15.1980)</b>	<b>IL 510,059.22</b>	<b>\$ 13,718.72</b>

(*) Voucher No. 1 dated 12.06.1979	25,500.00	756.91
Voucher No. 7 dated 02.14.1980	6,080.00	159.33
<b>Total</b>	<b>31,580.00</b>	<b>916.24</b>

ARE SUPPORTED BY "PROFORMA INVOICES" WHICH ARE NOT ACCEPTABLE AS  
PROOF OF PAYMENT.

Auditor's Remarks and Recommendations:

- (1) Adjustment of the Grant Agreement to include the \$ 390.00
- (2) The two vouchers under Community Contribution should be supported  
by acceptable receipts.
- (3) According to the Project Agreement, the Coop has still to provide  
\$ 34,241.28 worth of contribution.

Majed Ja'ouni, MBA MSo CPA,  
CERTIFIED PUBLIC ACCOUNTANT

PROJECT EVALUATION REPORT

1. Project Name: Rafah Beach Camp Road
2. Project Number: 79-0013
3. Date on which the project was first suggested: October, 1978  
 formally submitted: January, 1979  
 effectively cleared: June, 1979  
 fully implemented: January, 1980  
 audited and evaluated: August, 1980

Yes, it was an acceptable rate of progress, but it is not as it should have been in the timing of the implementation with the planned work strategy.

a) Timing of the Implementation: The road project was to begin by Feb. 1979. Actual implementation started in November 1979. This delay was due to Gol clearance which was not given until June, 1979 and to the community's inability to raise their necessary contribution at the appropriate time.

b) Work Strategy: It was agreed that this project should be carried out in two stages; the first stage would be leveling and laying a gravel base and the second stage would be asphaltting the road which was due to be completed by the second year after completion of the first stage. But after the implementation of the first stage, the community was not able to get their share of contribution for the second stage which resulted in the project's incompleteness. The implementation period could have begun somewhat earlier if the Gol had cleared the project a month after the submission date and if the community had gotten their contribution at an earlier time. It could also have been improved if the community had been able to begin implementation of the second stage as was planned.

4. Project Description:

As mentioned above there were differences between the project which was carried out and the original project description. These can be summarized as follows:

- a) Timing of the Implementation: The project implementation began eight months late.
- b) Project Total Cost: The project cost was over-estimated in the original project description. The cost estimate of the project was \$30,000. CDF contribution was estimated at \$15,000. The total actual cost was \$26,000 therefore CDF's share dropped to \$13,000. These differences between the original project and the project which was actually carried out can be accounted for by the delay in the GoI clearance and the delay caused by the community which was not able to raise their contribution until a later time. In addition, although the quantities of materials for the project were under estimated, the cost was over-estimated. This was because the contract was written in local currency which devalues almost every day. This means that the estimated cost in October, 1979, IL892,060 was valued at \$29,785. The actual cost was IL. 940,981 which was paid in the period October, 1979 through March, 1980 and came to a value of \$26,088.

5) Project Beneficiaries:

The beneficiaries of this project are:

- a) 1200 persons who live in the Rafah Beach Camp.
- b) 200 fishermen who have a local fish market at the beach;
- c) 100 farmers who own oases where vegetables are produced and marketed in Refah;
- d) The beach visitors who can use the beach along the road since transportation is facilitated. This does not differ from earlier estimates.

6. Project Budget:

No.	Type of Expense	Planned IL.	Actual IL.	Difference IL.
1	Leveling & Excavation	44,000	49,533	+ 5,533
2	Gravel base work	765,000	811,750	+ 46,750
3	Side blocks	20,000	20,800	+ 800
4	Concrete chain	120,000	118,960	- 1,040
	Total	949,000	1,001,043	+ 52,043
	6% deduction as in contract	56,940	60,026	+ 3,086
	Net	892,060	940,981	+ 48,921

This difference can be accounted for by the under-estimation of quantities in the planned project description. As mentioned in Item 4 of this report, if the actual total cost is converted to U.S. dollars, it is less than the planned cost due to the local currency value compared to U.S. dollars.

7. Project Expenditure:

Auditor's report is attached. In my opinion this was the best use of the funds allocated because the main purpose of the project, facilitating transportation in that area, was carried out. At the same time the second stage should be carried out otherwise the road may go to ruin.

9. Assessment of Project Impact:

As it is mentioned before, this project made it easier for the Rafah Beach Area to be developed for commercial and recreational purposes and furthered communication, helping to meet the basic needs of the people who live in the beach camp. The community was encouraged by CDF to begin this project although they did not have a budget for the project before CDF's participation.

Four oases were reclaimed and used for agricultural purposes after the completion of the project because it became much easier for the farmers to market their products. The project made the swimming area of Rafah beach longer since the people can now drive 1000KM along the beach. The roadway now is covered by a gravel base, but if the road needs to be asphalted in order to be maintained in good condition for a longer period.

10. Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report

11. The whole project of the roadway construction was to be carried out in two stages. CDF was involved in the first stage and participated with \$13,000. It is probable that the community will raise funds for the second stage so I recommend that this stage also be considered for CDF funding because without the completion of the second stage the first stage will deteriorate.
12. Based on all that has been learned, I recommend consideration of other projects in this community because it is an isolated community and none of the basic services are available. The Rafah community has suggested other projects but in other areas and if the community were able to get their share of funding we would be very much encouraged to consider those projects.

AUDITOR'S REPORT

Project: No. GS79-0013 RAPAII BEACH ROAD (Swidi Stage I)  
Rafah Municipality, Rafah, Gaza Strip

GDP GRANT: \$15,000.00  
Amount reduced to \$13,000.00 (GDP Memo WBFO/80-125-  
ICL/80199 d.20.1980)

UTILIZATION OF GRANT

The 13,000 dollars were deposited with Bank Hapoalim, Gaza in a GDP-Municipality joint account No. 0600721/44.

\$12,955.00 Exchanged at the same Bank into ILs 477,525.17, and deposited into another joint account No. 5034.

Total amounts withdrawn from the IL a/c-477,652.00.

Proper documents were presented for auditing covering total payments.

BANK BALANCES

(1) ILs a/c No. 5034 as it stands to-day is overdrawn by IL 126.83.

(2) \$s a/c No. 0600721/44 stands at \$45.00.

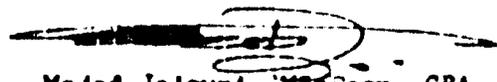
MUNICIPALITY CONTRIBUTION

The Municipality of Rafah paid out of its own funds IL463,320.00 equivalent to \$13,133.94 using market rates of exchange on dates of payments.

Proper Municipality documents pertaining to this project were submitted for auditing.

AUDITOR'S RECOMMENDATIONS

We recommend that GDP pay the remaining \$45 to the Municipality of Rafah as partial reimbursement of the \$133.94 excess in the Municipality share, provided that the Municipality undertakes to settle the overdrawn IL joint account with whatever charges the Bank might debit the account.



Majed Ja'ouni, MS&S, CPA  
CERTIFIED PUBLIC ACCOUNTANT

Jerusalem: Aug 31, 1980

PROJECT EVALUATION REPORT

1. Project Name: Deir El Balah Road
2. Project Number: 79-0014
3. Date on which the project was first suggested: August, 1978  
     formally submitted: Sept., 1978  
     effectively cleared: June, 1979  
     fully implemented: August, 1979  
     audited and evaluated: August, 1980

This was an acceptable rate of progress; CDF and Deir El Balah Municipality were able to undertake and supervise the implementation successfully as was planned. By the time the project was completed everyone was able to see the changes which were made from a muddy road to a well-paved road. This resulted in good connections between the UNRWA Ration Assignment Center, secondary schools, the agricultural area, Abu Jaber quarter and the center of town.

#### 4. Project Description

There is a difference between the project which was actually carried out and the original project description but only in terms of the length of the described road which was 1,370 meters while the implemented length is 1,231 meters. The cost was estimated at IL. 1,280,200.00 or \$64,010.00 while actually it was IL. 2,226,321.00 or \$68,152.21, due to the inflation in the country.

5. Since this project facilitates good transportation, approximately 10,000 persons will benefit from this road in the following manner:
  - a) Students of two secondary schools, Boys' Secondary School and Girls' Secondary School which are located at the eastern end of the road project: About 600 students from Deir El Balah Town come to school daily on the road.
  - b) Refugees: About 600 refugees' families from Deir Deir El Balah Refugee camp use this road for their monthly visit to the UNRWA Ration Assignment Center.
  - c) Agricultural Benefits: About 100 families who own approximately 1000 dunums along the road planted with citrus and vegetables use this road for marketing purposes and agricultural services.

d) Abu Jaber Quarter: About 2500 people who live in this quarter which is located along the road use it for travel.

The road project is considered a second entrance to Deir El Balah Town. Before, the area was isolated from services, now it is open to more facilities and services. This does not differ from earlier estimates.

#### 6. Project Budget:

Type of Expense	Planned		Actual		Difference	
	Material	IL	Material	IL	Material	IL
Gravel 25cm after comaction m3	2,300	644,000	2,575	721,000	275	77,000
M.C.O. averaged 1kg/m2 Kg	9,200	110,400	10,280	123,360	1080	12,960
The asphalt mix consists of 50 kg of tar per ton ton	986	867,680	1,082	952,160	96	94,480

The original price was calculated without the index rate which is IL.429,801.00. The project cost increased. The contractor received the original plus an additional percentage based on inflation.

#### 7. Project Expenditure:

The project was given to a contractor to carry out. The bid was given at the value of IL.1,622,080.00 or \$61,512.32, but with the additional cost due to inflation it cost IL.2,226,321.00 or \$68,152.21. CDF contribution is \$25,000.00 while the community contribution is \$43,152.21. A detailed statement is enclosed.

In my opinion, this was the best use of the funds allocated, since Deir El Balah Municipality knew how important that road was before, but they were not able to improve it because of insufficient funds. Now after the completion of the project the project results are: 1) a considerable improvement of the road; 2) a second main entrance to Deir El Balah; and 3) easier transportation during the rainy season.

#### 9. Assessment of Project Impact:

This project is considered a second entrance to Deir El Balah Town which enable greater communication with neighbourhood villages and towns. This project has provided help to the municipality on meeting some of their priority needs. With

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the completion of the project all beneficiaries were satisfied and pleased with the new road. Farmers can market their products easily. The Deir El Balah leaders were very much encouraged to submit other projects to CDF.

10. Attachments:

- a. Project Description
- b. Project Agreement
- c. Auditor's Report
- d. Consultant's Report

12. Based on all that has been learned, I strongly recommend consideration of all types of projects which are considered basic needs in the community. The community of Deir El Balah, represented by the local municipality, fulfilled its commitment towards project funding and implementation. Since Deir El Balah is an agricultural area, it needs road improvement projects and other health services.

Upon completion of this project, Deir El Balah Municipality applied to CDF for assistance in other projects such as a slaughterhouse project, public library project and an agricultural road.

AUDITOR'S REPORT

PROJECT: No. GS79-0014 1,234 meters Road  
DEIR EL-BALAH MUNICIPALITY

ILs	Ag	U.S. DOLLAR EQUIVALENT
784,303.00		25,000.00

GDP GRANT

UTILIZATION OF GDP GRANT:

ALL GDP GRANT WAS UTILIZED

COST OF THE PROJECT:

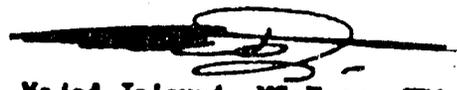
GDP GRANT	784,303.00	25,000.00
MUNICIPALITY PARTICIPATION	1,442,018.00	43,152.20
<b>TOTAL COST OF THE PROJECT:</b>	<b>2,226,321.00</b>	<b>68,152.20</b>

COST ANALYSIS STATEMENT PREPARED BY THE ENGINEERS AND THE MUNICIPALITY IS ATTACHED HEREWITH.

AUDITOR'S REMARKS

PROPER DOCUMENTS OF PAYMENTS TO CONTRACTORS SUPPORTED ACCOUNTS OF THE PROJECT. THEY WERE ALL APPROVED FOR PAYMENT BY THE INTERIOR OFFICER AT THE MILITARY COMMAND.

THIS PROJECT IS COMPLETE.



Majed Ja'ouni, MSoAccn, CPA  
CERTIFIED PUBLIC ACCOUNTANT

Jerusalem: August 31, 1980

55.8 meters



There are already 330 patients registered at the lab and 1,200 science students doing blood typing in the lab. There are also 10 lab science students doing their practicums for a period of 4-5 months and they will be given a certificate after passing final examinations.

7. Project Background:

A final statement of project expenditures including CDF's and the Society's contribution are included in the auditor's report.

8. There were no critical points raised by the auditor's report on this project.
9. The new equipment purchased as part of the project is used in the community health program for physical examinations, as well as in the training program of Bir Zeit University students who are enrolled in the biology and chemistry programs.

This project will help the Bir Zeit Women's Society to support their other programs and will strengthen their health services to meet the growing needs of the community.

10. Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report

11. More visits are necessary in this project to see how much the lab is used and in what ways, in order to make recommendations for other programs.
12. Based on the process of implementation of the project, I recommend considering other projects with this community first of all, because health projects are needed in the West Bank, secondly because the members of the Society can efficiently run the health projects, so their programs are successful and important. I recommend another project with them, perhaps, as they suggested, a dental clinic project. Repairing teeth is very expensive and in most villages in the West Bank there are no dental clinics, making people have to travel to the city. So a dental clinic project in Bir Zeit will help in developing the health services of the West Bank.

COMMUNITY DEVELOPMENT FOUNDATION  
INTERIM AUDIT REPORT

Project: No. WB79-0015 BIR ZEIT CLINICAL LABORATORY  
Bir Zeit Women's Charitable Society

<u>CDF Grant:</u>	\$25,000		
	Paid 6.12.80	\$15,000 - @ 47.40	IL 711,000.00
		<u>\$10,000 - @ 50.57</u>	IL <u>505,700.00</u>
	Total Paid	<u>\$25,000 - @ 48.67</u>	<u>1,216,700.00</u>

Allocation:

Physical Examination Equipment	\$2,800
Health Education Materials	4,200
Laboratory Equipment	12,000
Clinic Operational Equipment	6,000
Chemicals	-0-
Renovation of Lab room	-0-
<b>Total</b>	<b>\$ 25,000</b>

Community Contribution Expected :

Bir Zeit Women's Soc. OPERATIONAL BUDGET	12,000
Bir Zeit University:	
Salary of R.N.	3,000
Salary of Lab Tech	3,000
Lab Operational Budget	<u>3,000</u>
<b>Total</b>	<b>\$ 21,000</b>

N.B. Allocation and Community Contribution are based on the Project Description report. Project Agreement was not available to me.

AUDITOR'S REMARKS :

(1) Bir Zeit Women's Society Payment Vouchers, summarised in the attached schedule, show that:

Total disbursed	IL 931,699.50	= \$ 19,143.20
Not utilised	<u>28,000.50</u>	<u>5,856.80</u>
Total CDF grant	<u>1,216,700.00</u>	<u>25,000.00</u>

(2) Only two of the six Payment Vouchers presented by the Society detail purchases.

(3) No action by CDF is taken on Miss Rita Giacaman's letter of 8.25.1980. She requested an amendment on "allocations" above: to cut part of the grant for renovation of a room they rented to house the Lab.

AUDITOR'S RECOMMENDATIONS:

- A. That CDF take a favourable action on (3) above.
- B. Request an itemized list of the purchases and expenditures grouped under headings corresponding to the "allocations" described above to support the six Payment Vouchers.
- C. It seems that the Society bought some chemicals from the Scientific Exhibition, Ramallah. This is not budgeted for. CDF approval is necessary.

11.20.1980

Majed Ja'ouni, MScEcon, CPA  
CERTIFIED PUBLIC ACCOUNTANT

PROJECT EVALUATION REPORT

1. Project Name: Yatta Charitable Society
2. Project Number: WB79-0016
3. Date on which the project was first suggested: October 1978  
 formally submitted: April 1979  
 effectively cleared: July 1979  
 fully implemented: July 1979  
 audited and evaluated: June 1981

This was not an acceptable rate of progress; in comparison to other programs, it went very slowly.

4. In the implementation plan we agreed that the project would be fully implemented by August, 1979. One reason for the delay was because Yatta's contribution was not equal to CDF's contribution. CDF gave them more time to be able to match CDF's contribution. Until now their contribution has not been equal, so CDF decided to close all accounts and evaluate the project.
5. Project Beneficiaries:  
 There are two classes operating for the sewing and knitting program. The number of girls now registered for each class is 15 making the total 30 girls. These girls come from poor families with many children. The girls and their families are benefiting from this project by the income that they are able to make from their production.
- This project is a means of income to the Charitable Society, providing a source of income to improve their programs, too.
7. The village is small and far from other towns; the Society is new, small and not well-organized. Therefore, the amount of money allocated to them was too much, even though funding was needed and important. Although the program is good and necessary, they could have done this program in Yatta for less money. If they had bought fewer machines, they could have done the same program for the same number of girls.

8. CDF's and Yatta's Contributions:

CDF's was \$15,000, the Society's was \$5,695.05. The auditor's report is attached indicating this difference.

9. This project is helping uneducated women who have no chance to go to school to learn a job skill and earn money. The course for the sewing and knitting classes is 9 months and during this time the girls will be studying and earning money at the same time. After they finish the course, they will have the chance to buy a machine and work at home.

This project provides an income to both the Society and the village.

10. Attachments:

- a. Project Description
- b. Project Agreement
- c. Auditor's Report
- d. photograph

11. Further follow-up is important by the project co-ordinator for at least one year, in order to study the development of the program and to arrange visits to other Societies which have a similar project.

12. Although there was slow progress in the program, and the amount of money that was given to the Society was more than their need Based on all that has been learned, I recommend considering other projects in the community. This kind of project helps the women who have no opportunity to go to school; widows, divorcees, or women with large families to learn a skill and be able to earn money.

But the amount of money for such projects should be determined according to the size of population and the strength of the Society, the size of the program created will be suitable to the size of the community.

Community Development Foundation  
Auditor's Report

Project: No. 79-0016 WB  
Yatta Charitable Society, Yatta, Hebron.

CDF Grant: \$15,000.00 Exchanged into IL389,096.00  
Amount deposited with Bank Leumi, Hebron.  
Proper Society receipt was issued  
and entered on the books of the Society.

Allocation: Purchase of knitting & sewing machines  
plus chairs and tables.....\$15,000.-

Yatta Contribution:  
Operational Budget of the Society.....\$35,000.-

Utilization of CDF grant

The Society produced the following invoices which are not acceptable for auditing purposes. We challenged authenticity of said invoices and the Auditor carried a surprise inventory at Yatta accompanied by Project Coordinator Ms. Ruby Hazineh.

The invoices show that the following items were bought:

	<u>ILs</u>	<u>U.S. Dollar Equivalent</u>
52 Sewing Machines "Grand"	30,000	1,156.53
13 "Brother" Ordinary Knitting Mach	221,000	8,519.75
3 "Brother" Automatic Knitting "	84,000	3,238.27
17 Iron Tables for weaving machines	10,200	393.21
2 Steel Cabinets	3,900	150.34
1 Scale and weights	1,330	51.27
40 Metal Shelves plus corners	3,100	119.54
7 "Grand", "Philips" sewing machines	28,000	1,079.42
29 Kilograms of wool threads	7,566	291.67
TOTAL .....	<u>389,096</u>	<u>15,000.00</u>

The Society produced other invoices to be considered as their contribution. Audit-wise, those invoices are also doubtful: They cover the following purchases:

2 "Brother" ordinary knitting Mach	30,000	
40 Thread spoolers	10,000	
24 Metal tables	10,200	
4 Steel cabinets	10,000	
2 Big tables	5,000	
XY Metal shelves	15,000	
36 Chairs	3,000	
1 Office Desk and Chair	5,000	
total	<u>127,200</u>	
Teacher's Eight Months' Salary	<u>24,000</u>	
TOTAL.....	<u>151,200</u>	<u>4,903.86</u>

To draw a list of the furniture and machinery, we expected to find in the Society by adding up the list they provided CDF of what they had prior to receiving the grant (as per their report to CDF dated 4.9.1979), and their above itemized new purchases. To our disappointment actual inventory was short by the following:

Total of Purchase Orders ..... \$15,000.00  
 LESS / ITEMS NOT BOUGHT !!!

Voucher No. 1:  
 5 "Grand" Sewing Machines \$1,156.53  
 Voucher No. 5:  
 3 "Grand" Sewing Machines 462.61  
 Voucher No. 2:  
 2 "Brother" knitting machines 1,310.73 ( 2,929.87)

Therefore, to the best of our knowledge,  
 the Yatta Charitable Society utilized of  
 GDF grant:

ONLY: \$12,070.13  
 =====

Total of Village Payment Vouchers..... \$ 4,903.68  
 LESS / ITEMS NOT BOUGHT !!!

Voucher No. 1:  
 2 "Brother" knitting machines (1,165.53)  
 Total acceptable purchases: ONLY: \$ 3,738.15

TOTAL OF ACCEPTABLE VOUCHERS PROVIDED  
 BY THE SOCIETY.....\$15,808.28  
 =====

Auditor's Remarks:

- 1) The above figure is also contested by the fact that the Statement of Income & Expenditure of the Society show :  
 GDF Grant IL 389,096.00  
 Purchase of Furniture & Equipment 377,867.60  
 When we informed the Secretary of the Society that we intend to go through items of their Ledger, Mr. Mohd. Ismael Puni admitted that we shall not find figures that coincide with our inventory or the invoices we had.
- 2) Society Receipts/Payments Statement for the year ended December 31, 1979 show:  

Self Income	IL 73,311 =	\$ 2,026
Grants (other than GDF's)	170,955 =	6,590
Total Receipts	<u>244,266</u>	<u>3,416</u>
Total Expenditure (other than Machinery)	<u>130,991</u>	<u>5,050</u>
- 3) All payments of the Society during 1979 totalled IL510,359=\$19,675 including Machinery and Operating expenses. This is according to their balance sheet.

Auditor's Recommendations:

- 1) Reducing GDF Grant to \$ 10,000
- 2) Draw \$ 5,000 worth of Machinery & Furniture from Yatta Charitable Society.
- 3) Issue the drawn machinery and furniture to some other society as grant in kind.

  
 ماجد الجاولي  
 قائد، وممثل سابقاً  
 MAJED JAOULI CPA

PROJECT EVALUATION REPORT

- 1. Project Name: Jabalia/Nazla Day Care Center
- 2. Project Number: 80-0038
- 3. Date on which the project was first suggested: June 1979  
 formally submitted: Nov. 1979  
 effectively cleared: Jan. 1980  
 fully implemented: Oct. 1981  
 audited & evaluated: Nov. 1981

The rate of progress was slow because of the delay of the implementation period which lasted for a longer time than it should have. The delay was caused by the contractor who was selected by the village council during the competitive bidding procedures.

It could have been improved if the village council had chosen a suitable contractor and applied pressure on the contractor such as charging him an agreed upon amount for each day of delay.

4. Project Description:

The project which was actually carried out differs from the original Project Description and Project Implementation Plan. The differences are summarized as follows:

- 1. Timing: It was planned that the Project Implementation would be started in April 1980 and completed by June 1980. The actual implementation started in June 1980 and was completed by August 1981. There were two reasons for this delay:
  - a) At the time when the project was cleared for funding, the local village council was unable to get its share to match CDF's contribution.
  - b) At the final stage of the Implementation, the contractor stopped working and asked for compensation for inflation. The village council refused to compensate him because this item was not mentioned in the contract. The two parties reached an agreement and the contractor completed the work.
- 2. Total cost: It was planned that the project total cost would be \$64,868 while the actual total cost was \$52,287. That difference was caused by the inflation of local currency.

5. Project Beneficiaries:

A total of 120 children per year will attend the day care center. The families of these children will also directly benefit, raising the number of beneficiaries to nearly 1000 per year. This does not differ from earlier estimates.

6. Project Budget:

The project was given to a local contractor through competitive bidding procedures with a total cost of IL 3,074,751 or \$64,868. Since the bid was given by local currency (Israeli Lira) the contractor received local currency which was valued at \$52,287 because of inflation by the end of the implementation. The difference between the total cost estimate is \$12,581 less than the total cost estimate.

7. Project Expenditure:

The project total cost is \$52,287.38. CDF's contribution to the project was \$35,000; the community contribution was \$17,287.38. A final statement of Project Expenditures, including CDF's and the Community contribution, is included in the Auditor's Report. It has been agreed with the village council that CDF would contribute 50% of two projects in Jabaliya, a water reservoir and Jabalia day care center. So the total cost of Jabaliya projects is as follows:

	<u>Local Cont.</u>	<u>CDF</u>
Jabalia Day Care Center:	\$ 17,287	\$ 35,000
Jabalia Water Reservoir	68,441	30,000
<b>Total</b>	<u>\$ 85,728</u>	<u>\$ 65,000</u>

In my opinion this was the best use of the funds allocated,

8. There are no critical points raised by the auditor's report on this project.

9. Assessment of Project Impact:

The new facility will benefit children needing preschool education. This project will help the village council to support their other programs and will strengthen their educational services to meet the growing needs of the community.

10. Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report

11. More visits to this project are necessary to see how much progress there is in the operation and how this facility is used in order to make recommendations for other projects.

12. Based on what has been learned during and after the implementation of this project, I recommend considering other projects with this community because this village is growing and many projects are needed but there are no other sources of income for development.

AUDITOR'S REPORT

Project Number: GS038  
Jabalia DayCare Center

Grant Agreement

Signed on July 9, 1980

Amount \$30,000 - 35,000

not to exceed 50% of the cost of project.

Allocations: for Building

<u>CDF Paid</u>	<u>\$</u>	<u>Chq. No.</u>	<u>Voucher</u>	<u>Date</u>
	10,000	4188	201	8.29.80
	10,000	4307	230	12.24.80
	7,000	4360	251	2.11.81
	7,000	4458	283	5.10.81
	1,000	4745		9.20.81
	<u>35,000</u>	<u>Total</u>		

Cost of Project to-date

The municipality of Jabalia/Nazla resolved that <sup>Contract</sup> be done through Contractor Mr. Abu Zeinel. His bid was for Isr. Liras 3,074,751. Date of Decision June 7, 1980.

Six payments were made to the Contractor.

Total Isr. Shekels 292,604.92 Equivalent to \$50,469.18.

This amount is Isr. Shekels 4,870 less than the contract.

Auditor's Remarks and recommendations

- 1) Engineer's Report dated 5.17.81 indicate that the building was by then complete. Therefore, CDF grant amounted to over 50% of the cost. Estimated cost of the project was \$70,000 and CDF had already paid the Municipality half that amount whereas the actual cost turned to be some \$52,000.
- 2) The building is intended for use by the children, a daycare center. The engineer noted that "wash sinks" installed are at adult use height!

- 3) The main reason for this wide difference between estimated cost and the actual is the drastic drop of Israeli currency exchange rates. Besides, the contract amount was not linked to the cost of Living Index.

When the bid was given to the contractor the exchange rate was IL 47.4 = \$1. On this basis the IL 3,074,751 contract would equal \$65,000.

The actual payments of IL 2,926,049.21 calculated on basis of the average monthly rate at date of payment equalled \$50,469.18 i.e. an average rate of IL 58=\$1.

Under such circumstances, contractors would use inferior quality materials and workmanship.

- 4) This is a problem of inflation and creeping devaluation accountancy combined. Therefore, and despite the fact that the Municipality made gains on the rates of exchange, I recommend that CDF would consider the cost of the project as being \$65,000.

As such, CDF contribution should have been \$32,500 only.

The conclusion would be that CDF would either:

- 1) Collect \$2,500 from the Municipality, or
- 2) ask the Municipality to implement additional center-related expenditure in the amount of \$5,000 such as furniture, etc.

Nov. 20, 1981

Majed Ja'ouni, CPA

PROJECT EVALUATION REPORT

1. Project Name: Deir El Balah Youth Club Library
2. Project Number: 80-0043
3. Dates on which the project was first suggested: June 1979  
 formally submitted: Nov. 1979  
 effectively cleared: Feb. 1980  
 audited and evaluated: May 1981

Was this an acceptable rate of progress? How could it have been improved? It was a very good progress except for the delay in purchasing books which were purchased at a later time. This delay was due to the book supplies. The books were planned to be purchased from the local market, but at a later time the community decided to purchase books from Egypt, and that needed a special permit from the local authorities. The rate of progress would have been improved if the local community received the permit for bringing books to the project in a shorter time.

4. Project Description:

The project which was actually carried out differs from the project description and project implementation plans according to the following:

- a) Timing of the project implementation: It had been planned that the project would begin in February, 1980 and finish by May, 1980. The actual implementation started in February, 1980 and finished by April, 1981. This delay resulted from the Community leaders when they decided to purchase books from Egypt and not from the local market. Thus the delay was in receiving a permit from the local authorities to purchase books from outside the country.
- b) Equipment: Three pieces of equipment were planned to be purchased but actually were not; they were:
1. Two steel cupboards: A decision was made later that all stationery would be stored in a covered shelves instead of the two cupboards which would save space and money.
  2. An Arabic Typewriter: The reason for not purchasing the Arabic typewriter is that there is one available in another neighbourhood organization which can be shared by the library.
- c) Prices: Prices of each single item was different from originally stated. That is due either to the over-estimation of costs which were made by the local community or to the inflation on some items.
- d) It was decided that books should be purchased with all the money which was saved.

### 5. Project Beneficiaries:

Approximately, 3000 people in Deir El Balah town benefit from this project. This group includes primary school children, students, undergraduates students who are interested in reading and research, included are short stories, social studies, Arabic literature, sports books, newspapers and magazines ... etc. That is in addition to religious resources. This does not differ from the earlier estimate.

### 6. Project Budget:

No.	Type of Expense	Planned		Actual		Differences	
		\$	IL	\$	IL	\$	IL
1.	Shelves, Tables & Counter	4,000	10,500	1,597.49	84,800.00	+ 30,200.00	
2.	Chairs (50)	575	15,000	221.36	11,750.00	+ 3,250.00	
3.	Books	1,900	50,000	5,511.60	292,563.83	-242,563.83	
4.	Desk and Chair	225	6,000	169.56	9,000.00	- 3,000.00	
5.	Cupboards (2)	225	6,000	-	-	-	
6.	Arabic Typewriter	275	15,000	-	-	-	
<b>TOTAL</b>		<b>7,500</b>	<b>197,000</b>	<b>75,000.00</b>	<b>398,113.83</b>		

\* Refers to the expenses which had been over-estimated

- Refers to the increase of the actual expenses.

These differences resulted from either inflation or over estimation of some items.

7. Project Expenditures:

	<u>Community</u>	<u>CDF</u>	<u>Total</u>
Construction of Building	23,091.86	1,988.40	23,091.86
Furniture	3,813.63	1,988.40	5,802.03
Operational Budget	1,587.76	-	1,587.76
Books	-	5,511.60	5,511.60
<b>TOTAL</b>	<b>\$ 28,493.25</b>	<b>\$7,500.00</b>	<b>\$ 35,993.25</b>

The total cost of the project is \$35,993.25 including \$7,500 which is CDF contribution. This was the best use of the funds allocated. The project has improved considerably from the project description due to the changes mentioned above.

8. Auditor's Report: no critical comments were raised by the auditor.

9. Assessment of Project Impact:

Deir El Balah Youth Club Library is considered the first public center of its kind not only in Deir El Balah, but in the middle area of the Gaza Strip. The purpose of this library is to meet the basic educational and cultural needs of the people in Deir El Balah. Membership in the youth club has increased since the establishment of the library.

Previously the Youth Club was used for sports only. Now there is a center for both educational and cultured purposes, beginning with expanding library. Means of education are available for students and teachers and others who are interested. Intensive classes have been given in the library for students

By the establishment of the library educational resources have been increased beyond the schools. This project has encouraged local people to donate more books.

10. Attachments:

Project description  
Project Agreement  
Auditor's Report  
Photographs

11. The project has been followed up and everything has progressed well.

12. Based on all that has been learned before, during and after carrying out this project, I recommend consideration of other projects, with this community and projects of this type in other communities.

AUDITOR'S REPORT

Project: LIBRARY  
DEIR EL-DALAH YOUTH CLUB  
Project No. GS/43

CDF Grant: \$ 7,500 released in 3 instalments:

	<u>Chq. No.</u>	<u>Vchr. No.</u>	<u>Date</u>
2,500	2932	51	2.11.80
2,500	3556	61	3.16.80
<u>2,500</u>	3596	76	9.13.80
<u>7,500</u>	Total		

All three chq. were deposited with Discount Bank, Gaza a/c No. 64254 in dollars.

Conversion into Israeli currency: from above \$ a/c transfers were made into a CDF-Club joint account in Israeli currency with Discount Bank a/c No. 64254.

<u>Dollars</u>	<u>IS</u>	<u>Date</u>	<u>Rate</u>
1,500	59,120.51	3.13.80	39.4630
2,500	102,614.08	3.30.80	41.0970
500	25,710.37	5.04.80	42.9580
500	21,662.39	5.06.80	43.3790
1,500	115,285.31	1.14.81	76.9530
<u>500</u>	<u>77,784.20</u>	3.03.81	86.4270
<u>7,500</u>	<u>402,176.86</u>	Total	

The above Israeli currency is the net after Bank commissions.

CDF Grant Allocation and Utilization

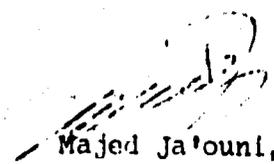
Item	Allocation \$	Actual spending	
		\$	I.e.
Shelves + tables	4,012	1,597.94	84,800.00
50 Chairs	569	221.36	11,750.00
Desk + chair	227	169.55	9,000.00
2 Cupboards	227	---	---
Arabic Typewriter	569	---	---
Books	<u>1,896</u>	<u>5,511.60</u>	<u>296,626.86</u>
Total	<u>7,500</u>	<u>7,500.00</u>	<u>402,176.86</u>

Club Contribution: The Club produced vouchers in a total equivalent to \$ 4,500. Besides, CDF agreed that operating budget of the club would be recognized contribution.

Auditor's Recommendations

- 1) CDF Grant is fully utilized and in my opinion, this file is complete.
- 2) I recommend requesting a copy of the Balance Sheet of the Dier El Bilah Youth Club to evaluate their actual contributions.

November 23, 1981

  
Majed Ja'ouni, CPA

PROJECT EVALUATION REPORT

1. Project Name: Khan Younis Municipality Aid to Kindergartens
2. Project Number: 80-0044
3. Date on which the project was first suggested: August, 1979  
 formally submitted: September, 1979  
 effectively cleared: September, 1980  
 fully implemented: June, 1981  
 audited and evaluated: November, 1981

This was not an acceptable rate of progress because of a delay in clearance by the authorities. This idea was proposed by an individual person and CDF was required to work with Khan Younis Municipality according to the plan indicated by them.

4. There was no change in the project carried out from the project description.

5. Project Beneficiaries:

200 children and their families are benefiting from this project. This is similar to earlier estimates. Mothers who find it necessary to work feel that their children are safely cared for and this feeling reflects on their work. At the same time the children who are very young find comfortable beds to sleep in and the others find desks and toys to play with rather than playing in the street. The parents could not afford to buy them toys.

9. For the short term effects, the children will find a safe and clean place to stay in while their mothers are working. Children will be prepared for school with a specific kind of educational environment. In turn, mothers can work more efficiently knowing their children are safe and learning at the same time.

For the long term effects, it is necessary for mothers to work to increase the income of the family. This type of kindergarten will enable mothers to work.

10. Project Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report

11. There is no need for any further follow-up on this project. They have shown a high degree of efficiency in managing the activities they are involved in as they have been involved in three other kindergartens which are financially stable and educationally solid.

12. I would recommend further projects of a similar type with the same organization.

Project Addendum

Project Name: Khan Younis Municipality Aid to Kindergartens

Project Number: 80-0044

Date on which the project was first suggested:	<u>August, 1979</u>
formally submitted:	<u>September, 1979</u>
effectively cleared:	<u>September, 1980</u>
fully implemented:	<u>June, 1981</u>
audited and evaluated:	<u>November, 1981</u>

- A. The receipts which have been given to CDF are the best which were available at the time. If further documentation of an official nature are required for the file, an itemized listing, signed by the mayor of Khan Younis, could be prepared. Help in preparing a format for such an inventory or capital purchase listing is requested from the auditor.
- B. The table attached in the Auditor's Report shows more explicitly the relationship between items on the accounts sheet and the actual pieces of furniture and equipment.
- C. It was not the intention of the CDF to require a change in the relationship between the municipality and this private enterprise, although effective collaboration between them is welcomed and encouraged. At the time USAID assistance was requested, USAID made clear that it should not provide financial support for a purely private effort. The CDF then worked out a mutually agreeable compromise solution, according to which the CDF-supplied items of furniture and equipment would be then owned by the municipality itself, but would be explicitly designated for the use of the kindergartens. It was expected at that time that this could serve as a model for future efforts, since both USAID and the Military Government seem very reluctant to permit CDF to assist a local effort which is technically a private enterprise, even if a larger purpose is being served and even if, as in the case of the Khan Younis kindergarten, the local group has tried to receive formal recognition as a charitable society.

AUDITOR'S REPORT

Project

No. GS/44  
Rawdat Attifi Assaid (Happy Child| K.G)  
Khan Younis

The Agreement

Signed: 2/15/1981  
CDF Grant: \$10,000  
A supplement to the Agreement was signed by CDF, K.G. owner,  
and Khan Younis Municipality.

<u>CDF Grant Paid:</u>	<u>\$</u>	<u>Chg. No.</u>	<u>Voucher</u>	<u>Date</u>
	3,000	4359	249	2.10.81
	5,000	4481	294	5.27.81
	2,000	4497	301	6.02.81
	<u>10,000</u>	Total		

Utilization of CDF Grant:

Purchase of Equipment, Furniture, and Toys:  
Isr. Sh. 99,708.00 Equiv. to \$10,291.62

K.G. Contribution

The K.G. produced two sets of Invoices

- (1) Purchases during 1980 prior to the grant agreement in a total of Isr. Sh. 27,964 Equivalent to \$5,143.35 at an average rate of exchange 1\$ 5.44 = \$1
  - (2) Purchases during Feb-Sept 1981 for a total amount of Isr. Sh. 56,040 Equiv. to \$5,034.50 at an average rate of exchange 1\$ 11.13 = \$1
- Thus, the total amount of K.G. contribution would be Isr. Sh. 84,004 Equivalent to \$10,177.85

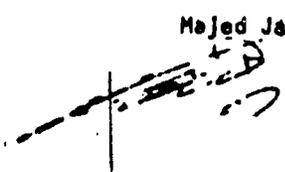
Auditor's Remarks & Recommendations

- (1) Except for two invoices in the amount equivalent to \$882.50, all other invoices are not official invoices or receipts.

- (2) Owner of the K.G. provided Khan Younis Municipality with a list of assets bought with CDF money for their record pursuant to the supplemental agreement. Total of the said list = Isr. Sh. 83,400. The list does not coincide with the accounts sheet. Attached here-to is a photocopy of the a/c sheet with details of the actual purchases.
- (3) Even though the receipts cover both CDF grant and K.G. contribution, yet I am not convinced that all purchases were authentic because lack of official receipts.
- (4) Clauses of the supplemental agreement do not give the Municipality any authority concerning supervision of the K.G. This project is a private enterprise.

November 20, 1981

Majed Jalouhi, CPA.



PROJECT EVALUATION REPORT

1. Project Name: Vegetable Co-operative
2. Project Name: 80-0046
3. Date on which the project was first suggested:
- |                        |                      |
|------------------------|----------------------|
|                        | <u>December 1979</u> |
| formally submitted:    | <u>December 1979</u> |
| effectively cleared:   | <u>February 1980</u> |
| fully implemented:     | <u>April 1980</u>    |
| audited and evaluated: | <u>November 1981</u> |

This was an acceptable rate of progress. The project was carried out as expected, at a good rate of progress.

4. Project Description:

There was no difference between the project description and the project which was actually carried out.

5. Project Beneficiaries:

There was no change in the number of beneficiaries from earlier estimates.

9. Assessment of Project Impact:

As the farmers have to get the vegetables ready to export and have to cultivate the land as well as classify and pack the vegetables, by using modern equipment they will increase production and save time. As it is very expensive for one or two farmers on their own to buy equipment, the vegetable co-operative decided to buy the equipment for the use of the share holders. By renting the equipment the co-operative will also provide a monthly income for themselves.

The farmers have noticed the difference in the production after having used the equipment which has increased the production and encouraged other co-operatives to use new machines.

10. Project Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report

11. I think we have to follow up by paying them visits to see if all the shareholders are benefiting from the use of the equipment.

12. We did not have problems with these people, they are honest and they do work hard and I think we should encourage them in their efforts as vegetable production is important to Gaza.

AUDITOR'S REPORT

PROJECT: No.OS80-0046 Agric. Coop for Vegetables Producers  
Deir El-Balah, Gaza Strip.

ILS Ag U.S.DOLLAR  
EQUIVALENT

ODP GRANT Deposited with Bank Hapoalim, Gaza 12,500.00  
a/o No. 600258/43  
Exchanged at the Bank 529,750.00

ALLOCATION Purchase of Farm Machinery

UTILIZATION OF ODP GRANT

Purchase of a Ford Tractor 685,328.00 16,171.00

COOP CONTRIBUTION

(1) Difference on the price of Tractor	155,578.00	3,671.00
(2) 800 meters of hose + 4 Sprayers + 1500 Liters Tank + All accessories of the Motor ??	350,000.00	8,323.05
(3) Harvest Thrasher with wind fan	40,000.00	951.00
(4) Furrow Plough- Reversible	100,000.00	2,378.00
<b>TOTAL COOP SHARE:</b>	<b>645,578.00</b>	<b>15,233.05</b>

AUDITOR'S REMARKS:

- (1) Included in the above price of the tractor VAT in the amount of IL73,428.00. This is not refundable to the Cooperative as it is not registered with VAT authority as an authorized dealer.
- (2) Purchases 2+3+4 above are supported by mech invoices/ receipts, usually not acceptable for the purchase of machinery. The Cooperative needs definite detailed documents that proves its title to machinery bought. Such documents should include firm defining particulars such as serial numbers of machinery bought.

AUDITOR'S RECOMMENDATIONS:

IT IS IMPORTANT TO SEE THAT THE ABOVE MACHINERY ARE INCLUDED IN THE REGULAR BALANCE SHEET OF THE COOPERATIVE SOCIETY BEFORE A FINAL REPORT OF THE PROJECT IS SUBMITTED.



Majed Ja'ouni, MScEcon, CPA  
CERTIFIED PUBLIC ACCOUNTANT

Jerusalem: Aug. 31, 1980

PROJECT EVALUATION REPORT

1. Project Name: The Agricultural Co-operative for Strawberry Producers
2. Project Number: 80-0047
3. Date on which the project was first suggested: June 5, 1979  
     formally submitted: December, 1979  
     effectively cleared: February, 1980  
     fully implemented: June, 1980  
     audited and evaluated: August, 1980

From a general point of view, the rate of progress may seem to be a reasonable one, except that from the time the project was proposed to CDF until it was fully implemented, there was a change in the price of the items proposed. For example, the basic price of the Ford Tractor Model 6600 in June, 1979 was \$11,476 while in April, which was when the same tractor was actually purchased, the basic price was \$13,332. The rapid change in prices makes the time element very important. CDF had allocated \$12,500 when the project was first designed and that was to go toward the price of the tractor which was estimated to be \$15,000 including full preparation for tests. When the tractor was purchased the Strawberry Co-operative had to pay an additional amount of \$4,014.58 to cover the full price. When CDF received the proposal in June, 1979 the Co-operative was ready to purchase the tractor as soon as the money was released. It took both the Co-operative and CDF some time to finish the paperwork and to agree on the kind of tractor. In addition, the authorities delayed the clearance almost three months.

The only way to improve the rate of progress is to have everything prepared and agreed upon after the project is defined and accepted by CDF and be ready for immediate action once clearance is received.

4. The project that was carried out differed from the original project description in that the vegetable planter was purchased instead of the potato planter. Additional accessories were also purchased by the Co-operative. The project implementation plan remained the same.

5. The people who actually benefit from this project are the families of the 83 Co-operative members. Each family has an average of eight persons. The tractor has been used by these families in land reclamation and in preparing the land for strawberry plantation. In addition, there are a number of workers who work on the farms during the plantation and harvest season, which extends over a period of ten months every year. The Co-operative also rents the tractor to Co-operative members who pay a competitive rent much less than that which would be paid for private tractors, providing an additional income for the Co-operative.

6. Project Budget:

Type of Expense	Planned \$	Actual \$	Difference \$
Ford Tractor	15,000	16,514.58	+ 1,514.58
Fertilizer Spreader	5,300	1,625.29	- 3,674.71
Rotator	2,140	2,359.60	+ 219.60
Potato Planter	3,500	-	- 3,500.00
Furrower	290	1,585.65	+ 1,295.65
Vegetable Planter	-	1,890.30	+ 1,890.30
Grubber	-	471.92	+ 471.92
Preparing tractor for operation	-	491.42	+ 491.42

7. It is my opinion that this was the best use of the funds allocated. The auditor's report is attached to this evaluation report.

8. The auditor mentions in his report that the Co-operative is entitled to receive the amount paid as VAT back. He needed the VAT number to do so but after checking with the Co-operative it turned out that they did not have one. Therefore, the Co-operative is required to pay the VAT and will not be able to receive a refund for these taxes.

The process of project implementation and reporting was a satisfactory one.

9. The tractor was described by the Co-operative as an essential piece of equipment. It is used for land reclamation and for preparing the land each year for strawberry plantation. The individual members of the Co-operative use the tractor and pay a fair rent to the Co-operative. They are no longer dependent on the use of private tractors. With the different kinds of accessories they purchased, they are able to employ different methods of planting and fertilization to improve productivity. They also save time and energy.

By introducing better cultivation facilities, the Co-operative began to encourage more farmers to increase the area of donums cultivated. The Co-operative itself was viewed by the farmers and members as an active organization helping them and working for their interests.

The profit the Co-operative makes from the use of the tractor will be used to start other activities and this will increase their services. With more donums planted the people in Gaza will have access to a fruit which is very popular. Recently, members of the Co-operative began to consider the idea of a food industry based on the strawberries they grow which would serve to further develop the economic situation in Gaza.

10. Attachments:

1. Project description
2. Project Agreement
3. Auditor's report
4. Photographs

11. There will be a need to follow-up on the project--CDF Co-ordinator has to keep records of the income the Co-operative is making from the project for at least a one-year period to see whether there were worthwhile gains, and to determine whether they need further assistance and additional accessories to better the profits.

12. Based on all that has been learned before, during and after carrying out this project, I would recommend consideration of other projects of this

type. Mechanizing the methods of cultivation is strongly recommended; it produces better results and the farmers become more and more enthusiastic to increase the amount of cultivated land.

I would also recommend another project with this same Co-operative. It represents an important sector of economic development in the area. The people there proved to be capable of handling more and more responsibilities. They have good ideas to strengthen the Co-operative and widen its scope of services.

**AUDITOR'S REPORT**

**Project:** No. GS80-0047: Strawberry Coop Mechanization  
 The Agric. Coop. for Strawberry Producers, Seifafa, Gaza

	ILs	Ag	US DOLLAR EQUIVALENT
<b><u>GDP GRANT:</u></b> Allocated towards purchase of a tractor:-	536,470.00		12,500.00
<b><u>MACHINERY BOUGHT:</u></b>			
1. Gruber	20,000.00		471.92
2. Tractor (Ford)	699,888.00		16,514.58
3. Rotamator	100,000.00		2,359.60
4. Gherardi Plough / Furrower	67,200.00		1,585.65
5. Selector + Tractor 1st time Fuel	20,826.00		491.42
6. Fertilizer (second-hand)	72,000.00		1,625.29
7. Tractor Accessories Vegetable Planter	89,600.00		1,890.30
<b>Total</b>	<b>1,069,514.00</b>		<b>24,938.76</b>
<b><u>GDP CONTRIBUTION:</u></b> Grant above	<b>536,470.00</b>		<b>12,500.00</b>
<b><u>COOP CONTRIBUTION:</u></b> Balance	<b>533,044.00</b>		<b>12,438.76</b>
<b>GDP contribution OVER that of the COOP</b>	<b>3,426.00</b>		<b>61.24</b>

**AUDITOR'S REMARKS:**

- (1) Purchase of the Fertilizer (item 6 above) bought from "Tshar", Tel-Aviv is not supported by an invoice or a receipt. Instead, Tshar issued an unofficial note stating that a second-hand fertilizer was sold to Mr. Mahmud Kdath and attached to tractor No.40/3190/4.  
  
 What is the assurance that the equipment was bought and is owned by the Coop.?
- (2) All other purchases are supported by proper documents.
- (3) The above prices include a total of IL114,590.80 equivalent to \$2,672.00 Value Added Tax.

If the Coop is registered as an Authorized Dealer, it is entitled to a refund of the same amount or to deduct the amount from balances due to VAT authority.

We noticed that "AGREXCO" (The Agricultural Export Co.Ltd.) who buys their produce charges them VAT on its loans to them. This eventually implies that it pays them VAT.

If such is the case, the net price of the tractor towards which GDP contributed would be \$ 14,715.15;  
 Total NET purchases would be 22,266.05  
 Coop contribution would be 9,766.75  
 and the Coop has still to spend 2,733.25

  
 Majed Ja'ouni, FRCPA, CPA  
 CERTIFIED PUBLIC ACCOUNTANT

Jerusalem: Aug 31, 1980

PROJECT EVALUATION REPORT

1. Project Name: Jabalia Water Reservoir
2. Project Number: 79-0051
3. Date on which the project was first suggested; August, 1979  
formally submitted: December, 1979  
effectively cleared; February, 1980  
fully implemented: August, 1981  
audited and evaluated: November, 1981

It was an acceptable rate of progress except for the delay in the implementation process. It could have been improved if the village council had selected a good contractor with a good reputation. There were times when he stopped work completely and also his work rate was slow. Both of these resulted in delay of the project.

4. Project Description:

The project which was actually carried out differs from the original Project Description and Project Implementation Plan for two reasons:

- a. Timing: The project should have been implemented in 6 months time but instead it took one year, due to the problem with the contractor.
- b. Total cost: The contract was made in Israeli shekels, therefore, the actual cost should have been less than the planned cost due to inflation. Because of the problem of the contractor, the Municipality had to hire another contractor at a later time and he had to do additional work to complete the project. This raised the total cost and made the actual cost more than the planned cost.

5. Project Beneficiaries:

There is no change in the number of beneficiaries.

6. Project Budget:

See Auditor's Report for explanation of differences between planned cost and actual cost.

7. Project Expenditures:

The project total cost is \$98,441.64. The CDF contribution to the project was \$30,000; the community contribution was \$68,441.64. A final statement of Project Expenditures including CDF's and the community contribution is included in the Auditor's Report. It has been agreed with the village council that CDF would contribute 50% of two projects in Jaballa, a water reservoir and Jaballa Day Care Center, so the total cost of Jaballa projects is as follows:

	<u>Local Contribution</u>	<u>CDF</u>
Jaballa Day Care Center	\$17,287.00	\$35,000
Jaballa Water Reservoir	<u>\$68,441.64</u>	<u>\$30,000</u>
Total:	\$85,728.64	\$65,000

In my opinion, this was the best use of the funds allocated.

8. Auditor's Report:

1. All payments from CDF were made as reimbursement of previous payments by the village council to the contractor.
2. It was agreed at a later time that the network would be included in the original project since it was a connecting pipeline.

9. Assessment of Project Impact:

This project supplies Jaballa with a clean and regular water supply. The Jaballa camp did not previously have sufficient water supplied to it. Even second and third floor apartments now receive enough water because of the pressure provided by the high water reservoir.

10. Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report
4. Consultant's Report
5. Photograph

11. There is no follow up necessary because the project has been completed and the water system is running without problems.

12. I recommend more projects of this type with this community and other communities because the Gaza Strip in general needs more water projects. Also the Jabalia village council worked very well with the CDF staff.

AUDITOR'S REPORTProject Number: GS051

Water Reservoir

Jabalia/Nazla Village Council

Grant Agreement:

Signed July 20, 1980

50% of cost or a maximum of \$50,000

<u>DF Paid:</u>	<u>\$</u>	<u>IS Equiv.</u>	<u>Disb. No.</u>	<u>Chq. No.</u>	<u>Date</u>
	10,000	41,307.30	63	3564	3.21.80
	10,000	42,998.80	82	3611	4.16.80
	5,000		195	4154	7.27.80
	5,000		329	4561	8.09.81
	<u>30,000</u>	<u>                    </u>	<u>Total to Date</u>		

Decrease of Grant

- 1) The grant allocation was first decreased by \$5,000 to become \$45,000. The written decision was not available to me.
- 2) Project Coordinator recommended on 8.24.1981 that allocation be decreased once again by a further \$5,000 to become \$40,000. No written action taken.

Project Implementation

- 1) Thru tender, Contractor Mr. Ismael Hassuneh undertook to construct the reservoir complete for Isr. Liras 2,817,280.00. Provisions of the Contractor's agreement with the Municipality say that the amount is not linked to the C.I. Index or to foreign currency. This is why the contractor became reluctant and, finally, withdrew. Judicial measures are underway.
- 2) Work on the project started 10.8.1979. It was contracted to be complete by 8.8. 1980.
- 3) Due to para 1 above, the Municipality gave work to others on the expense of the Contractor.
- 4) For a period of 10 months (5.20.80-3.17.81) the Municipality made no payments.

Reservoir Costs to-date:

<u>\$ Equiv.</u>	<u>Isr. Shekels</u>	<u>Particulars</u>
1) 58,629.00	193,755.92	Payments to Contractor Hassuneh
2) 12,008.03	132,840.00	Payments to Other Contractors
3) 9,879.00	38,379.30	Payments to the Pipes Contractor
4) 10,832.00	23,439.38	Purchase of Pipes from ISASBEST
5) 450.00	1,548.00	Purchase of Electricity Poles
6) 6,588.00	15,065.31	Fees for Engineer Consulting Firm
7) 75.61	900.00	Miscellaneous
<hr/>	<hr/>	<hr/>
98,441.64	405,929.11	Total

Auditor's Remarks and Recommendations:

- 1) All above payments were paid by the Municipality per official vouchers.
- 2) Above payments include \$20,711.00 equivalent for pipes. Network that is not commissioned per the grant agreement. (Items 3 and 4 of costs above).
- 3) The Municipality spent Isr. Sh. 44,867.92 (included in item 2 of costs) over the "Contract" with Mr. Hassuneh. Calculated on basis of the final payments made to the substitute contractors this would equal \$3,770.00.
- 4) According to Contract provisions the municipality should sue the contractor for a refund.
- 5) Engineer fees are not just for the reservoir. It is also for a water network.
- 6) In my opinion, direct reservoir costs would not exceed \$72,000.

On the otherhand, and taking into consideration the fact that all payments were related to the drinking water project of the Municipality, I recommend that the grant be reduced to \$40,000.

11.18. 1981

Majed Ja'ouni, CPA.

PROJECT EVALUATION REPORT

1. Project Name: Shejaia Quarter Water Network
2. Project Number: 80-0052
3. Date on which the project was first suggested: August, 1979  
     formally submitted: December, 1979  
     effectively cleared: February, 1980  
     fully implemented: June, 1981  
     audited and evaluated: June, 1981

This was an accentable rate of progress.

4. The project which was carried out did not differ from the project description but there was a difference in the implementation plan. It was mentioned under Item III in the agreement form that the project would be fully implemented on November 30, 1980 while in fact the project was not fully implemented until June, 1981 due to technical reasons explained by the municipality technical department to the CDF technical consultant and documented in the attached technical reports.
5. It was estimated in the project description that the 1,200 people on the streets to be served by the water network would directly benefit from this project. This number remains the same.
6. There was no difference between the planned and actual project expenditures.
7. In my opinion, this was the best use of the funds allocated.
8. Project implementation and reporting were satisfactory.
9. This project is one of a number of projects that Gaza Municipality will undertake to improve the old and crowded Shejaia Quarter. This particular project was of great help to the people who live on both sides of approximately 20 streets of Shejaia Quarter.

The replacement of the old water pipelines solved the following problems:

1. Lack of sufficient water reaching the houses due to the water leakage of the old pipes.
2. Insufficient water pressure to reach 2nd stories. The water pressure has increased with the new pipelines.
3. Rust formation which was very common in the old street pipes causing considerable water discoloration in the water reaching the houses. The new pipelines are cement lines and coated with bitumen outside.

10. Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report
4. CDF Consultant Report
5. Gaza Municipality Auditor's Report
6. Gaza Municipality Technical Department Report

11. No further follow-up is needed.

12. I recommend other projects of this type as many poor areas in Gaza City need help to improve the public services offered.

I recommend consideration of other projects with Gaza Municipality as they were co-operative and dependable. In the area of sanitation and water supply, there is a great amount of work to be done to improve Gaza City.

Auditor's Report

Project: JAMA MUNICIPALITY

Proj. No. 78-10-052

Shajala Water Network

CDF Grant: \$ 20,000

Total amount paid to the Municipality in full per Voucher No. 177, Chq. No. 04150 on August 26, 1980.

Findings:

CDF grant of \$20,000 would be allocated to the water network renovation at Shajala quarters. It is to be integrated within an overall budget of \$120,000 by the Municipality for a general project of renovating the Qass water network implemented by the Municipality.

Final Verification on 1.21.1981 I visited Mr. Moud. Sulai Sala-Allah, Assistant-General of the Municipality. Also, Kadia Soosie, CDF Project Coordinator, attended the meeting:

- (1) CDF Grant was deposited by the Municipality into its Dollar account. The amount is still there.
  - (2) So far, one line was completed during Nov. 1980. It is the Abu Earna.. Sheikh Banafer.. Shajala line at the Shajala Quarter. Total cost, according to the Municipality accountant, was IL 980,400. .... Equiv. to \$ 9,840
  - (3) A second line at Shajala was completed during Nov. 1980 prior to receiving CDF grant. It is part of the project. Total cost was IL 19,900 = 1,995
  - (4) At another quarter, Al-Baitan, two more lines were completed out of the Municipality funds. Baitan St., & Jassir St. at a cost of [1,540,511] and [1,110,77] respectively. Cost of the two lines = 2,651
- Grand Total Cost of completed lines: IL 2,571,574 Equiv \$ 20,958 out of the \$120,000 overall cost of Municipality Projects.

Auditor's Remarks:

- (1) The Municipality is waiting clearance from the authorities to spend for. Shajala 120,000 (approx. \$ 41,000) on three more lines: West Al-Arales, Shajala Al-Fad, and Abu Al-Fana.
- (2) THIS PROJECT IS MOVING SLOW DESPITE THE ENTHUSIASM SHOWN BY MAYOR AHMED MUSA BIKR ON GETTING HIS TO SIGN THE PROJECT AGREEMENT.
- (3) Further visit is recommended to be made to the Municipality during May 1981.

PROJECT EVALUATION REPORT

1. Project Name: Zawaida Entrance Road
2. Project Number: 80-0056
3. Date on which the project was first suggested: February, 1979  
 formally submitted: July, 1979  
 effectively cleared: February, 1980  
 fully implemented: April, 1980  
 audited and evaluated: December, 1981

Was this an acceptable rate of progress? How would it have been improved?

Yes, this was an acceptable rate of progress, except for the delay in clearance of the project by the local authorities. The project was submitted to the Government of Israel in July, 1979 and cleared by February, 1980. It would have been completed by September, 1979 if the project had been cleared in July, 1979.

The project was fully implemented within two months after it had received clearance which was exactly as scheduled in the implementation plan. It could have been improved if the local authorities had cleared the project at the time it was submitted.

4. Project Description:

The road project was originally planned to be 800 meters in length while the actual length which was constructed is 950. This is due to a later decision made by the community. This increase in the length includes a strip of 150 meters at the end of the road which leads in two directions into the village.

This is the only technical difference between the project which was actually carried out and the original project description and implementation plan. This resulted in a higher cost in the actual project.

5. Project Beneficiaries:

4,000 persons who live in the village benefit from this project. Those

Involved in the marketing of citrus and vegetables will particularly benefit from this project. This does not differ from earlier estimates.

6. Project Budget:

No.	Type of Expense	Planned \$	Actual \$	Difference \$
1	Excavation	2,000.00	1,219.00	- 781.00
2	Gravel	16,464.00	14,634.00	- 1,830.00
3	M.C.D. and Asphalt	17,598.00	34,251.00	+ 16,653.00
	Total	\$ 36,062.00	50,104.00	+ 14,042.00

In items no. 1 and 2 prices were over-estimated by the local engineer and approved by CDF's technical consultant.

In item no. 3 the difference in both prices is due to:

1. Inflation which continues to increase rapidly;
2. the delay of the implementation which resulted in a higher percentage of inflation applied to project costs;
3. the length of the road, which was increased resulting in a greater quantity of materials needed;
4. the under-estimation of planned project expenses made by the community engineer.

7. Project Expenditure:

The local community committee hired a local contractor on a competitive bidding basis. The contractor undertook the purchase of all materials and machinery needed for constructing the road in return for \$50,104.00 or IL.2,054,295.40 of which CDF would contribute \$25,000.00. The local community committee matched CDF's contribution by paying \$25,104.00 to the project. This was the best use of funds allocated, because the community themselves selected the contractor offering lower prices and known for a better reputation in project implementation.

8. Assessment of Project Impact:

This project has been very effective, giving Zawaida village a well-paved entrance which facilitates transportation to and from the village. Not only the people who live in the village will benefit from the road, but also farmers on nearby citrus and vegetable farms.

This project is the first public project which was shared by the whole community. Its success provides a good example on which the community can model other projects.

One of the indirect effects of this project is that the community committee was so encouraged that they decided to incorporate themselves into a village council which has given them more power and greater responsibilities.

One more effect is that the construction of the entrance road makes transportation to neighbouring villages much easier, increasing trade and promoting better relationships among the villages.

9. Attachments:

1. Project Description
2. Project Agreement
3. Consultant Report
4. Auditor's Report
5. Photograph of the Project.

10. Zawaida Community is a very good example of CDF's work with community groups. CDF should be proud of the people of Zawaida Community. They are a nomadic people who used to live a simple life: They are unfamiliar with projects involving co-operative efforts of any kind, except within their own social order based on their customs and traditions. Such a project is a new experience for them.

11. I recommend consideration of other types of projects in this community. This project was a good beginning in co-operative work with CDF, resulting in successful implementation.

The community submitted to CDF other projects and committed themselves to an even greater degree of co-operation than before. CDF accepted one of the higher priority projects: construction of a water network.

AUDITOR'S REPORT

Project: GS80-0056 Zawaideh Road Project  
Zawaideh Local Committee

GDP GRANT: \$25,000.00

Exchanged into Israeli Liras  
at Discount Bank and deposited  
with Discount in a joint GDP-  
Committee a/c No 64270 1,030,912.38

UTILIZATION OF GDP GRANT

Amount paid to contractor	1,027,000.00
Bank Charges	3,505.19
Total Expenditure	1,030,505.19
Balance Outstanding at Discount Bank	407.19
Grand Total	1,030,912.38

COMMITTEE CONTRIBUTION

Six payment vouchers to contractor  
from Committee own funds 1,027,295.40

This is equivalent to \$25,186.74 at  
market exchange rates on pay day.

BANK OUTSTANDING BALANCE

There is in the joint Discount Bank, Gaza account  
ILs 507.19 of which IL100.00 were paid in by the  
Committee to open the account. The remaining ILs  
407.19 are balance of GDP grant.

AUDITOR'S REMARKS & RECOMMENDATIONS

- (1) All disbursements are supported by proper documents.
- (2) We recommend that joint a/c balance be transferred to the Committee provided it settles any further bank charges.

After that, the Committee would have still  
contributed over \$100 above their 50% share.

  
Majed Ja'ouni, MScEcon, CPA  
CERTIFIED PUBLIC ACCOUNTANT

Jerusalem: August 11, 1980

PROJECT EVALUATION REPORT

1. Project Name: Khan Younis Sewage Pipeline
2. Project Number: 79-0057
3. Date on which the project was first suggested: September, 1979  
 formally submitted: September, 1979  
 effectively cleared: April, 1980  
 fully implemented: August, 1981  
 audited and evaluated: November, 1981

The rate of progress was slowed by the delay of about one and a half years caused by the contractor and the inflation later.

4. Project Description:

The project which was actually carried out differs from the original description and project implementation plan in the following ways:

1. Implementation period:

It was planned that the project implementation period should take six months while actually it lasted for one year and a half, that was due to the inflation causing the contractor to lose money and making him delay the implementation.

Another reason for the delay which was the weather, since the contractor stopped working in winter time because of rain.

2. Project total cost:

The project total cost was estimated at \$347,843.07 according to the contractor's bill at the time of the competitive bidding.

The actual cost was \$300,008.00 which is less than what had been estimated, due to the inflation.

5. Project Beneficiaries:

About 35,000 people of Khan Younis will benefit from this project, including the central business and residential area of Khan Younis. Because this pipeline

is the only main line in Khan Younis, all the inhabitants, 75,000 people, will benefit from this project in the near future. This does not differ from earlier estimates.

6. Project Budget:

The project was given to Sian Coy for implementation with the amount of IL.10,417,900 or \$347,843, that includes the purchase of the needed pipes, manhole covers and the labor. The actual project cost was \$300,008. The difference between the planned and actual project expenditures is \$47,835. This was due to the high portion of the local inflation within the implementation period.

7. Project Expenditure:

The total cost of the project:	\$300,008
CDF's contribution to the project:	<u>\$100,000</u>
Local community contribution:	\$200,008

In my opinion, this was the best use of the funds allocated since this grant assisted the local community to begin the first stage of a large sewage project.

8. The project implementation could have been improved if the contractor proceeded according to the implementation agreement in terms of the implementation period. This caused a delay in the completion date.

9. Assessment of Project Impact:

With this project Khan Younis Municipality acted on one of the basic needs for the people in the city. After the completion of this project the municipality of Khan Younis will proceed with the next stage of the sewage project in Khan Younis town.

This sewage project leads to a better and cleaner life in Khan Younis which will encourage the establishment of health services. The whole sewage project will benefit and expand the agricultural area where it will be used for irrigation.

Since there is a high population density in Khan Younis, lack of sewage causes many problems in which leaders lose the inhabitants confidence due to their

Inability to resolve these problems. In this case the sewage project resolved the problem which encouraged the co-operation between the inhabitants and the local leaders who are appointed and not elected. With this co-operation other projects can be carried out easily.

10. Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report
4. Consultant's Report

11. When the project first was submitted to CDF it was mentioned that this project would be the first stage of a large sewage system in Khan Younis town consisting of three stages:

the first stage:	sewage pipelines
the second stage:	sewage treatment plant
the third stage:	water recycling for irrigation

As soon as the first stage was completed, Khan Younis Municipality applied to CDF for assistance in the second stage which is a sewage treatment plant.

12. Based on all that has been learned before, I recommend consideration of other projects of this type in this community and other communities. As it is mentioned in Item 11, Khan Younis Municipality submitted the second stage of this project with detailed specifications and plans.

AUDITOR'S REPORT

Project Number: GS057  
Sewage Line  
Jamal Abdul-Nasser Street  
Khan Younis Municipality

Grant Agreement

Signed 4.15.1980  
Allocation: Not to exceed \$100,000

<u>DF Paid</u>	<u>\$</u>	<u>ISEquiv.</u>	<u>Disb.V.</u>	<u>Chq. No.</u>	<u>Date</u>
	20,000	84,760.00	81	3610	4.17.80
	20,000	84,760.00	86	3617	4.22.80
	20,000		179	4104	6.06.80
	20,000		236	4329	12.31.80
	20,000		280	4452	4.29.81
	<u>100,000</u>		<u>Total</u>		

Project Implementation

- \* Work on the project started November 1979.
- \* Time Schedule according to the Grant Agreement, April thru September 1980.
- \* Payments by the Municipality were made to contractors per official vouchers.

Costs till 9,30. 1981

Total of the 61 vouchers expended is :  
Isr. Shekels 1,350,258.51 Equivalent to \$294,581.63

Auditor's Remarks and Recommendations

- 1) The difference between the totals of "Costs as calculated above and the totals of the accounts sheets is due to a common error in posting the amounts from the vouchers:-

Auditor's Remarks and Recommendations

WHEN INCOME TAX IS DEDUCTED FROM AN AMOUNT DUE TO A PERSON, <sup>it</sup> IS CONSIDERED AS IF BEING PAID TO HIM. THEREFORE, ENTER THE GROSS AMOUNT.

Entries corrected on a photo copy attached for consideration of Gaza staff.

As the total payments on the project equal almost triple CDF grant, the grant, in my opinion, is this fully utilized and the project is complete.

11.18.1981

Majed Ja'ouni, CPA.

## FINAL EVALUATION REPORT

1. Project Name: Qarara Electrification Project
2. Project Number: 80-0058
3. Date on which the project was first suggested: April, 1979  
 formally submitted: November, 1979  
 effectively cleared: February, 1980  
 fully implemented: April, 1980  
 audited and evaluated: August, 1980

This was an acceptable rate of progress. The project was implemented and completed at the right time according to the plans and the project description.

4. Project Description:

There were few differences between the project description and the implementation since the project was implemented exactly as planned. The differences came in the project funding provided by CDF, totalling \$4,500.00 instead of what had been allocated: \$5,000.00. In addition, the number of the beneficiaries has been raised because of the construction of new houses after the completion of the project.

5. Project Beneficiaries:

Approximately 110 people who live on both sides of the street benefit from this project as well as 8 families of about 45 people who constructed new homes after the completion of the project. The neighbouring families also benefit from the connection of the electrification to the water well facilitating regular water supply. This makes the number of beneficiaries different from the earlier estimates.

6. Project Budget:

Type of Expense	Planned \$	Actual \$	Difference \$
1. Subscription for the high tension wires	1,870.18	1,870.18	-
2. Switchboard	567.88	567.88	-
3. Poles for electricity	1,683.56	1,195.03	*(-) 488.53
4. Electrification equipment	4,893.62	3,835.60	*(-) 1,058.02
5. Subscription to the Municipality	1,306.75	-	-
6. Electrical wire	986.77	1,192.24	(+) 205.47
7. Labor	560.60	629.07	(+) 68.44
<b>TOTAL:</b>	<b>11,869.36</b>	<b>9,290.00</b>	

\* 1. The differences in Items No. 3 and 4 was due to the over-estimation of the needed equipment and poles, done by the local engineer.

2. The difference in Items No. 6 and 7 was due to the inflation from the time the project was cost-estimated to the time it was implemented.

7. Project Expenditures:

The total cost of this project is \$9,290. CDF's contribution to this project was \$4,350 while the community contribution was \$4,940. In my opinion this was the best use of the funds allocated. Actually, the project met the stated objectives for the community's needs by connecting the Salalmah Street with the electricity line, benefiting at least 30 families for the least cost for the use of the facility.

8. Auditor's Report:

Auditor's report is attached. IL.953.07 was spent according to the auditor's recommendation.

9. Assessment of Project Impact:

1. A new populated area has been connected with electricity service.
2. Electrification is considered a major service to the people since it facilitates the day-to-day life especially in such an isolated area.

3. This project helped additionally with the water supply by connecting the water well engine to electricity.
4. The project encouraged many people to settle and construct permanent houses in the area (8 families constructed houses in a two month period after the completion of the project).
5. The project was very successfully implemented which gave greater strength to the local community committee and encourage them to get the approval from the authorities to register as a legal Community Committee.
6. Based on the successful accomplishment of the local Community Committee, local people contributed more for the public projects such as constructing a school, day care center and a mosque.

**10. Attachments:**

1. Project Description
2. Project Agreement
3. Auditor's Report
4. Consultant Report

- 11. Electrification in the villages of the Gaza Strip is badly needed and considered one of the basic needs. This project proves that it is one of the services which encourages people to stay in their land and settle.**

As can be seen everywhere the main problem of the cities is the high density of population which is caused by the immigration of people from the villages and the countryside to the cities. This causes major problems in the villages which can be summarized as follows:

1. Immigration of the labor forces to cities causing a lack of workers in the village. This makes the cost of living higher, as the farmers are obliged to attract outside workers to the village with higher wages, which raises the cost of crop production.
2. When people leave for the cities they quickly adopt new customs and habits, forsaking their own traditional values and at the same time eroding the rich fabric of village culture of which they should be proud.
3. It is not uncommon for new immigrants to the cities to be unable to "keep pace" with the city life. For many different reasons. It is sometimes the case that they cannot return to their homes, so their general morale deteriorates and they become seemingly useless to themselves.

Given such a situation, particularly the high density of the cities and the underpopulation of the villages, I recommend such a project anywhere in the Gaza Strip.

12. Based on all that has been learned before, during, and after the implementation of this project, I recommend consideration of any other projects of this type from other Committees, and also any further projects for the benefit of this community.

AUDITOR'S REPORT

**PROJECT:** 0880-0058 ( Gaza Electrification Project )  
 Southern "Salameh" St., Abdeleh "Qarara" Quarters  
 City of Khan-Yunis, Gaza Strip.

ILs      U.S. DOLLAR  
             Ag EQUIVALENT

**GDF GRANT:** \$5,000.00

\$4,500.00 were deposited in  
 a joint a/e No.911011-64203

of which \$4,350.00 exchanged  
 into Israeli Liras and deposited  
 with the same Bank Discount,  
 Gaza. A joint GDF-community a/e 173,596.57

4,350.00

UTILIZATION OF GDF GRANT

Disbursements totalled	172,643.50	4,326.10
Leaving a balance not utilized:	953.07	23.90
Proper documents supported all expenditures.		

ABDELAH CONTRIBUTION:

Six proper vouchers were submitted  
 to GDF. TOTAL: IL.110,300 Equiv.  
 to \$4,940.53 according to market  
 exchange rates on pay day.

TOTAL COST OF THE PROJECT:

	282,943.50	9,266.63
From GDF GRANT	172,643.50	4,326.10
From community	110,300.00	4,940.53
Total	282,943.50	9,266.63

OUTSTANDING BALANCES OF GDF GRANT  
 NOT UTILIZED  
 AFTER COMPLETION OF THE PROJECT

- (1) \$500.00 Held by GDF Jerusalem
- (2) \$150.00 In Discount Bank, Gaza joint a/e No 0911011  
 \$650.00 Total U.S. actual dollars
- (3) IL953.07 In Discount Bank, Gaza joint a/e No. 64203

AUDITOR'S RECOMMENDATIONS

- (1) Reduce the Grant by \$650.00 From \$5,00 to \$4,350.
- (2) Jerusalem GDF draw the \$150 from the Gaza bank.
- (3) Spend the IL953.07, if not consumed by expected  
 bank charges, for the purchase of "DANGER" signs  
 for some of the poles.

Majed Ja'ouni, HSOBOM, CPA  
 CERTIFIED PUBLIC ACCOUNTANT

Jerusalem August 31, 1980

PROJECT EVALUATION REPORT

- 1. Project Name: Abasan El Saghira Water Reservoir
- 2. Project Number: 80-0060
- 3. Date on which the project was first suggested: September 1979  
 formally submitted: November 1979  
 effectively cleared: January 1980  
 fully implemented: March 1981  
 audited and evaluated: January 1981

This was an acceptable rate of progress, except for the delay in the community project funding and the contractor's delay which was due to the inavailability of the materials in the local market. Other than that everything progressed well. If the community's contribution could have been raised sooner, the project could have been given earlier to a contractor who would have been able to guarantee the supply of the material, saving at least four months time.

4. Project Description:

- 1. As mentioned above there was a difference in the date of the beginning and the date of the completion of the project.
- 2. There were a few differences in the construction materials which are indicated in item No. 6.

5. Project Beneficiaries:

Approximately 3000 persons who live in Abasan El-Saghira village benefit from this project. This differs from earlier estimates because the population of the village is growing rapidly.

6. Project Budget:

No.	Type of Expense	Planned IS.	Actual IS.	Difference IS.
1.	Excavation	5400	5400	-
2.	Concrete	343750	356226	+ 12476
3.	Blacksmith work	6300	6000	- 300
4.	Pipes work	22000	22000	-
5.	Plastering	20000	20000	-
Total		397450	409626	+ 12176
5% deduction as in the contract		19872	20481	+ 609
Net		377578	389145	+ 11567
<u>Extra Work</u>				
1.	Concrete	-	8300	+ 8300
2.	Steel bars for the pipes	-	1200	+ 1200
3.	SIKA	-	750	+ 750
4.	Meter for the reservoir	-	4000	+ 4000
Total cost of the project		377578	403395	+ 25817

The difference is IS.25817 or \$2937. This difference was because extra materia were added and some items were under-estimated in terms of quantity.

7. Project Expenditure:

Auditor's report is attached. In my opinion, this was the best use of the funds allocated. One thing needing mention is that implementation began a few months late. If implementation had taken place at the appropriate time the total cost would have been lower.

The Implementation period could have been somewhat earlier if the community had its share ready by the date the project clearance was cleared.

9. Assessment of Project Impact:

The project was to build a 25 meter-high water tank with a 150 cubic meter capacity which means that the community can now get water to the second and third floors of buildings easily. The quantity of water kept in the tank is sufficient to satisfy the needs of the local community for a few days if the main water supply stops for any reason.

This tank will be sufficient for at least 20 years before the community needs a higher water tank. Such a project in a quiet area like this village will encourage the people to construct high houses in their village instead of moving to the larger towns. This project meets one of the basic needs, that of clean water, making life easier in the village. Because of the success of this project the community is encouraged to do other long term projects to meet their needs.

10. Attachments:

- a. Project Description
- b. Project Agreement
- c. Auditor's Report

11. Regarding this project, no follow-up is needed, because the project was carried out under direction of technical supervisors and technical workers.

This project is one of the best projects which CDF has participated in. The community of Abassan El-Saghira was very helpful and co-operative with CDF staff members.

12. Based on all that has been learned, I recommend consideration of other projects with this village as it is growing and needs greater concentration on basic health, social, education, and infrastructural improvements. Work with this community went well, as they were very active and co-operated completely during the implementation period.

As soon as the project was completed, the community applied to CDF office for assistance in other projects, such as a road project and a women's activity center. This shows that the community has started to plan for themselves in order to develop their village and meet their needs to make life better in their area.

COMMUNITY DEVELOPMENT FOUNDATION

Auditor's Report

Project: ABASAN AL-SAGHIRAH Water Reservoir Proj.No. GS/60

Grant Agreement: \$ 30,000 Signed on 7.13.1980

CDF Grant of \$30,000 was released in four instalments that were deposited in a special Dollar account for the project with Discount Bank, Gaza:

Date: Mo.Dy.Yr	Cheque No.	Voucher No.	Israeli Liras	Ag	US Dollars
3.30.80	3565	63			5,000.00
6.18.80	4115	102			10,000
8.29.80	4187	200			10,000
11.24.80	4269	221			5,000
-----	-----	---			-----
<b>Total</b>					<b>30,000.00</b>

The Bank, upon joint requests by the Village Council and CDF Coordinator, transferred from the \$ a/c to another special a/c in Israeli currency @ official rates of Exchange:

6.01.80	227,412.41	4,950.00
6.20.80	479,815.48	10,000.
12.04.80	629,599.21	9,000.
-----	-----	-----
Total transfer into Israeli currency	1,336,827.10	23,950.00
Balance reimbursed to Abasan Council		
01.15.81		6,050.00
<b>Total</b>		<b>30,000.00</b>

Total Cost of The Project:

- (a) Amounts paid to Contractor Aner Muhanna out of the Israeli currency joint a/c : 1,275,000.00
- (b) Direct payments made to the Contractor by Abasan Village Council (6 payments) EQUIVALENT TO US\$ 48,552.00 @ CDF calculated average rates of exch. 2,409,725.00

**TOTAL COST OF THE PROJECT: 3,684,725.00**

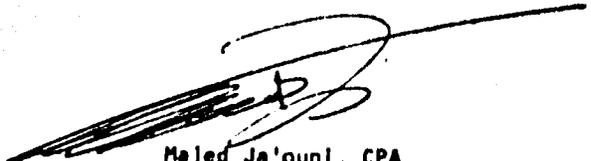
<u>Reimbursements to Abasan Village Council:</u>	<u>Isr.Liras</u>	<u>U.S.dollars</u>
The following payments out of \$ and IL Bank a/c were made to the order of the Village Council :		
7.20.80	32,000.00	
1.13.81	28,127.10	
1.15.81.		6,050.00
<b>TOTAL REIMBURSED TO ABASAN VILLAGE COUNCIL</b>	<b><u>IL 60,127.10</u></b>	<b>plus \$6,050.00</b>
 <u>CASH BALANCE AT DISCOUNT BANK, GAZA</u>	 IL 1,700.00	 -0-

Auditor's Remarks and Recommendations :

This seems a good project. CDF grant is fully utilized. Abasan Village Council contributed the equivalent of \$48,552.00 , that is more than 50% of the total cost of the project.

I recommend that the balance with Discount Bank, Gaza (170 Shekels) be reimbursed to Abasan Village Council and consider the project as complete.

October 1, 1981



Majed Ja'ouni, CPA

PROJECT EVALUATION REPORT

1. Project Name: Annahda Women's Association
2. Project Number: 80-0061
3. Date on which the project was first suggested: June, 1979  
 formally submitted: November, 1979  
 effectively cleared: February, 1980  
 fully implemented: April, 1980  
 audited and evaluated: May, 1981
4. The project which was carried out differs only slightly from the original project implementation plan.

The only difference is in purchase of equipment. the Society was suppose to buy carpentry tools; sewing, knitting and weaving machines; and home economic kitchen equipment. They bought only the home economic kitchen equipment plus classroom furniture. This change was due to the inflation of prices which raised prices so much that they were not able to buy all the equipment they had planned to with the \$25,000 grant.

5. The number of persons that will benefit from this project are the <sup>45</sup> students <sup>110</sup> at the school and their families as well as the people in the 10 villages where the students live. When the students return to their homes they will be able to work and contribute in the life of the society thereby benefiting their village rather than relying on them or their families for total support.
7. The final statement of project expenditures is included with the auditor's report. In my opinion, this was the best use of funds because the project helped in establishing the first institution in the West Bank to serve mentally retarded children. This is the only institution where the retarded learn self-help skills along with daily-living skills such as: care and cleanliness in clothing, cooking and care of kitchen equipment, care of the home, gardening, sewing etc.
8. There were no critical points raised in the auditor's report.

9. The short term effects are as follows:

- 1) The students are now learning how to take care of their own daily needs.
- 2) They are learning how to deal with people working in the institution, with each other as peers, with their families at home, and with people in their society.
- 3) They are learning basic reading, writing, mathematics for outside life.
- 4) They feel more a part of life by coming to the school daily.
- 5) They are learning job skills for a trade.
- 6) They are learning daily-living skills.

The long term effects will be felt by the students' parents who will benefit by

- 1) understanding and learning more about retardation and its causes through the institution;
- 2) understanding that retarded people have potential;
- 3) knowing also through the institution where to get help when they need it;
- 4) understanding how to deal with a retarded child.

Effects will be felt by the students who will benefit by:

- 1) learning skills that will enable them to adapt more easily to society;
- 2) learning trade skills that will be of use to the society;
- 3) gaining a sense of competence and self-worth.

10. Attachments:

1. Project Description
2. Project Agreement
3. Auditor's Report
4. Photograph and newspaper article.

11. Follow-up will be necessary, because this is the only project of its kind in the West Bank. It will be important that the project co-ordinator make visits to the institution in order to see how the program is running and to observe its practical effects over a greater period of time.

12. I would recommend another project with this organization. The vocational training project which Annahda has proposed will be a further step in developing a complete program at the institution. Funding will be used to purchase pottery equipment. It will give the students an opportunity to learn a skill

which they might financially depend of in the future. It will make them feel important and productive as human beings. They can also be a source of income for themselves and for the institution. This will be the first vocational project of its kind in the West Bank.

COGNATE DEVELOPMENT FOUNDATION  
AUDITOR'S REPORT

PROJECT: No. WBO-0061  
Annahda Women's Association, Ramallah. (AWA)

CDF GRANT: \$25,000.00 paid to AWA in two instalments during February 1980.

\$15,000.00 = IL 564,480.00 @ 37.632

\$10,000.00 = IL 409,665.00 @ 40.9665

25,000.00 = IL 974,145.00

ALLOCATION: (According to the Project Description. The Project Agreement was not available to me) :

Carpentry Tools	\$ 1,500.00
Sewing/Knitting/Weaving Machines	12,000.00
Kitchen equipment	10,000.00
Furniture + Recreation Equipment	<u>1,500.00</u>
<b>Total</b>	<b>\$ 25,000.00</b>

GRANT UTILIZATION:

<u>Items purchased*</u>	<u>IL</u>	<u>US DOLLARS</u>
1. Furniture	408,570.25	12,983.00
2. Washing Machine	35,000.00	930.00
3. Deep Freez Refrigerator	139,270.25	3,000.00
4. Frame for a sign	5,120.85	125.00
5. Stool Cabinet	32,770.35	800.00
6. Oven	102,410.25	2,500.00
7. Movie Projector	59,400.45	1,450.00
8. Slides Projector	9,460.35	231.00
9. Roto Pray	400.75	10.00
10. Overhead Projector	11,470.65	260.00
11. two Screens	9,950.85	243.00
12. Copier Machine + Paper + Powder	94,570.35	2,308.65
Value Added Tax	<u>5,700.65</u>	<u>139.25</u>
<b>Total</b>	<b>IL 974,145.00</b>	<b>US\$ 25,000.00</b>

(\* Prices of items 1-6 include VALUE ADDED TAX @ 12%

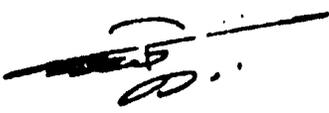
AWA CONTRIBUTION

Eight payment vouchers of AWA dated 12.9.1978 thru 5.19.1979 were presented to CDF as AWA counter contribution. They were all paid to Contractor Mr. Isaac Sakakini for building. Total is 38,350.000 JORDAN DHIARS.

AUDITOR'S REMARKS & RECOMMENDATIONS

1. All invoices (except No.2) are denominated in U.S. dollars. Exchange rates, for conversion into the IL equivalent, were according to bank rates mentioned above. Israeli Lira equivalency calculation on accounts sheet need adjustment.  
As AWA presented to CDF invoices in a total amount of more than the CDF grant, \$403,46 (IL16,525.00) should be transferred to Society counter contribution accounts sheet.  
Purchase Order No. 8 should become a Village Payment Voucher. Two attached vouchers are recommended.
2. For CDF convenience I recommend that you request:
  - a. A letter from Anshada Women's Association enlisting the above purchased items with a recognition that they were bought with CDF grant;
  - b. A copy of their Balance Sheet to see how and where JDF grant is acknowledged.
3. Deviation in items AWA purchased from grant allocations need CDF written approval.

Jerusalem:  
Sept. 24, 1980

  
Majed Ja'ouni, MSolcon, CPA,  
CERTIFIED PUBLIC ACCOUNTANT

PROJECT EVALUATION REPORT

1. Project Name: Hebron Red Crescent Soc'y Multipurpose Center, Phase 1

2. Project Name: 80-0062

3. Date on which the project was first suggested: March 1979  
 formally submitted: November 1979  
 effectively cleared: December 1979  
 audited and evaluated: May 25, 1981

4. Project Description:

The grant for this project was used in completing the interior construction of the new building and in providing furniture and materials for a pre-school teacher-training resource center. There was no difference between the original project description and the actual project implementation plan.

5. Project Beneficiaries:

10 teachers are working in the new kindergarten as well as the supervisor. 125 children are attending the pre-school programs at Hebron Red Crescent. In Hebron there are also 23 local societies which operate kindergarten programs. There are about 1,700 children that participate in these kindergarten programs employing about 50 teachers to work with the children. Those teachers and students will also benefit from this project by using the center aid facilities and by attending the training program.

7. Project Background:

A final statement of project expenditures, including CDF and counterpart contributions is included in the auditor's report. The funds were used in the best way because they provided a pre-school resource center which will provide the Hebron District with a pre-school teaching training center that will assist kindergarten programs throughout the Hebron District.

8. Auditor's Report:

There were no critical points raised by the Auditor. The process of project implementation was a satisfactory one.

9. Assessment of Project Impact:

Five classrooms are operating in the new facility. There is also a teacher training center which is equipped with educational materials such as psychological and educational books, stories for children, educational toys, etc. These materials will be used by teachers from the Red Crescent as well as teachers from Hebron District.

There are audio-visual materials such as a projector, tape recorder, screen and overhead projector. This equipment will help in the training courses that will be held in the center for the teachers of Hebron District.

This center will help in implementing a new curriculum for the West Bank, and it will be a model to other districts to open similar centers and to realize the importance of pre-school education.

10. Project description, project agreement, auditor's report, and photograph are attached with the project evaluation report.
11. The Society has established good contacts with other educational institutions such as universities, and local and foreign institutes. The Red Crescent Society has considered various ways of using the teachers aid center and have also hired a new supervisor for the kindergarten program who has proved to be efficient and responsible. Further follow-up visits by the project coordinator are important to see if the program is still going on well as planned and to see if they need more help in making contacts with other institutes.
12. Based on all that has been learned before I recommend working with another project of the same type and other types of projects with the same society. The Society has mentioned an emergency clinic to be opened in the same building due to the poor health services available in the West Bank; this project for the Hebron Area. The population of Hebron is 130,000 and there is no emergency clinic there. The Society bought an ambulance for the emergency clinic which cost them 4,000 J.D. This project will be followed up by a pharmacy which will contain community needed medicine. The clinic will be opened to the public 24 hours a day. I recommend consideration of this project and other clinic projects which are needed to improve health services in the West Bank.

COMMUNITY DEVELOPMENT FOUNDATION

Auditors Report:

Project Name: Red Crescent Society, Hebron

Project No. WB/0062

Grant Agreement:

\$65,000.00

Signed on January 3, 1980

No grant agreement for the additional amount  
( See Schedule 1 for amounts disbursed by CDF )

Allocation:

I- Completion of building interior		\$60,000.00
II- Preschool Resource Center		
Furniture	2,000	
Ed. Materials & Equipments	2,000	
Teacher Training	<u>1,000</u>	<u>5,000.00</u>
Total		<u>\$65,000.00</u>

Society Contribution

Provisions of the Grant Agreement provide for the acceptance by CDF as Society Contribution all amounts paid by the Red Crescent on the building prior to the Agreement. ( Ref: Section II Grant Agreement ).

The Society presented documents to prove that they paid Contractor Mr. Suhair Abu Sharkh, on 8,4,1979, 22,000 Jordan Dinars equivalent to U.S. \$71,80. ( Schedule 2 attached hereto ).

Utilization Of CDF Grant

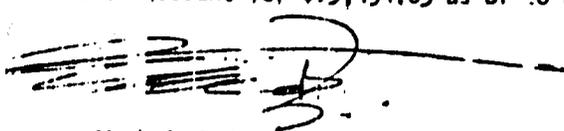
	<u>IS</u>	<u>Equiv. \$</u>
Total Expenditures according to invoices and receipts submitted by the Society to CDF:		
Total of Schedule 3	91,689.90	27,582.12
Total of Schedule 4	239,092.44	40,602.31
Total of Schedule 5	<u>108,328.00</u>	<u>11,382.40</u>
Total	439,110.34	79,566.83

	<u>IS</u>	<u>Equiv. \$</u>
add payments through CDF marked * in Schedule 1	20,890.31	1,938.34
Total payments to-date	<u>460,000.65</u>	<u>81,505.17</u>
Total Grant paid		<u>95,000.00</u>
Total that the Red Crescent of Hebron should account for		<u>\$13,494.83</u>

Auditor's Remarks and recommendations

1. A supplementary Grant Agreement need be enacted.
2. Society contribution recognized by CDF was \$71,280 ( Schedule 2 ) which covered the 50/50 principle. As the grant amount was increased, further Society contribution should be considered.
3. CDF did not inform the Society of the disbursements 6,7,9,10,11,14, ( Schedule 1 ). Please inform Society that you debited its account with the equivalent of \$1,938.34. Their recognition that they received the items therein is necessary for audit purposes.
4. Draw attention of the Red Crescent that they submitted to CDF, by mistake, copies of five Invoices twice. ( total: IL 500,000 = \$14,433.12 ).
5. Demand an official receipt from " MEDIQUIP " for payment No.15 (Schedule 5). Amount JD 2,700 equivalent to \$8,200.
6. Inform Red Crescent that they still have to account for \$13,494.83 as of to-date.

September 30, 1981

  
Majed Ja'ouni, MBA MSc CPA,  
CERTIFIED PUBLIC ACCOUNTANT