



Ensuring Accountability of Public Resources

# REPORT OF THE AUDITOR-GENERAL



## Detailed Report

*On The  
Liberia Telecommunications Authority  
For The Financial Years 2009, 2010 And 2011*



**20 August 2013**

**TRANSMITTAL LETTER**

**AUDITOR GENERAL'S REPORT ON THE LIBERIA TELECOMMUNICATIONS  
AUTHORITY FOR THE FINANCIAL YEARS 2009, 2010 AND 2011.**

1. *I am pleased to issue this report, this being the second of Auditor General's report on the Liberia Telecommunications Authority. I have undertaken this audit of the LTA's accounts and related records for the financial years ending 31 December 2009, 2010 and 2011, under the Auditor General's statutory mandate, as provided for under the 1972 Executive Law of Chapter 53.3.*
2. *As indicated in the methodology segment of this report, all findings conveyed in the report have been formally communicated to the Management and Board of Commissioners of the LTA. Where responses were provided by the Management and Board of Commissioners on the findings, they have been evaluated and incorporated in this report.*
3. *A number of issues conveyed in this report would appear to affect the generality of public institutions in Liberia and therefore, it is suggested that the issues claim the attention of both the Legislature and Executive, to ensure their timely resolution. These issues are briefly stated below:*
  - *LTA Management's failed to operate with a budget for three months (January through March 2009) during the tenure of Mr. Albert Bropleh as Chairman of LTA. Expenditure incurred during this period amounted to US\$336,109.13. The LTA operated without an approved budget for a period of seven months (April through October 2009) during the tenures of Mr. Lamini A. Warity and Madam Agelique E. Weeks as Acting Chairman and Chairperson of the Board of Commissioners respectively. Expenditure incurred during the tenure of Mr. Warity without an approved budget amounted to US\$ 365,003.92 and the one incurred during the tenure of Madam Weeks without an approved budget amounted to \$475,949.54. The total financial impact of these omissions were US\$1,177,062.59. These omissions were violations of the Telecommunications Act of 2007.*
  - *The LTA disbursed an amount of US\$183,000.00 on per-diem for its officials on foreign travels which were not in accordance with GOL's Foreign Travel Ordinance. Based on the rate indicated in the travel ordinance on foreign travel, my calculation showed that an amount of US\$134,216.25 should have been the appropriate amount to be spent on per-diem for foreign travels for the audited period. The LTA incurred an excess expenditure of US\$48,783.75 on foreign travels without adhering to the prescribed rates set in the Foreign Travel Ordinance.*

- *Foreign travel incidental allowances amounting to US\$29,700 were incurred by some employees and officials of LTA without adhering to the procedures and guidelines as it relates to retirement of travel documents for incidental allowances paid for said travels. Payment vouchers for incidental allowances on Foreign Travel were not supported with the travel disbursement form and the retirement documentation.*
  - *There was no evidence that the LTA Management prepared financial statements on a monthly, quarterly and yearly basis. I requested financial statements from management of LTA on June 18, 2012, during the planning phase of the audit engagement for the period under audit. The LTA Management was not able to provide financial statements until May 27, 2013, after the audit report had been drafted. This omission denied me the basis of expressing an opinion on financial statements.*
  - *For the periods under audit, the Management of LTA did not adhere to the Public Procurement and Concessions Act for the procurement of some capital assets. Examination of document revealed that procurement of capital goods totaling US\$216,520.00 were not supported by relevant documentation.*
4. *Given the significance of these and other matters noted in this report, I urge Her Excellency, the President of the Republic of Liberia, the Hon. Speaker and members of House of Representatives and Hon. Pro-Tempore and members of the Liberian Senate to consider the implementation of the recommendations conveyed in this report with urgency.*



**Winsley S. Nanka, CPA, CPE**  
**Acting Auditor General**

**Her Excellency, the President of the Republic of Liberia**  
**The Executive Mansion**  
**Monrovia**

**The Honourable Speaker**  
**The House of Representatives**  
**Capitol Hill**  
**Monrovia**

**The President Pro-Tempore of the Senate**  
**The House of Senate**  
**Capitol Hill**  
**Monrovia**

**The Board and Management of the LTA**  
**Bushrod Island**  
**Monrovia**

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## Acronyms

<b>ACRONYM</b>	<b>MEANING</b>
AG's	Auditor General's
AOM	Audit Observation Memorandum
BOC	Board of Commissioners
CBL	Central Bank of Liberia
COSO	Committee of Sponsoring Organization
DVs	Disbursement Voucher
DML	Draft Management Letter
FAR	Fixed Assets Register
GAC	General Auditing Commission
GAAP	Generally Accepted Accounting Principles
GOL	Government of Liberia
IAD	Internal Audit Department
IAU	Internal Audit Unit
ICT	Information Communication Technology
IIA	Institute of Internal Auditors
IMC	Interim Management Committee
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
ISA	International Standards on Auditing
ISPPIA	International Standards for Professional Practice of Internal Auditing
ISSAI	International Standards of Supreme Audit Institutions
LTA	Liberia Telecommunications Authority
PFM	Public Finance Management
PPC	Public Procurement and Concessions
WATRA	West Africa Telecommunications Regulators Assembly

**AUDITOR GENERAL'S REPORT ON THE LTA's financial transactions and RELATED RECORD of accounts FOR THE FINANCIAL YEARS 2009, 2010 AND 2011**

1. The Management of the Liberia Telecommunications Authority (LTA) failed to provide budget for the period of three months (January – March 2009) and an approved budget for seven months (April – October 2009). Expenditures for this period amounted to US\$1,177,062.59. Additionally, there was no evidence that the budgets for the financial years 2010 and 2011 were approved. These omissions constitute violation of the Telecommunication Act of 2007. The absence of budget for three (3) months and approved budget for seven months in 2009 denied a basis for evaluating the performance of the LTA Management for the period under review.
2. The LTA Management failed to prepare and submit financial statements and other financial records on a monthly, quarterly and yearly basis. The LTA's financial statements were requested on 18 June 2012, during the planning phase of the audit. The financial statements were submitted on 27 May 2013, after I have drafted the audit report. The LTA Management's failure to timely provide the financial statements for its operations for the financial years 2009, 2010 and 2011 for auditing, denied a basis for assurance on the financial statements. Unearned salaries of US\$2,201.84 were paid to three employees in 2009 before the commencement of their employment date. This undermined the Authority's payroll policy.
3. Excess payments of US\$48,783.75 were made to the LTA employees and officials who undertook foreign travels. Also, expenditure on foreign travels on incidental allowance amounting to US\$29,700 was made without adhering to the procedures and guidelines as it relates to retirement of travel documents, and this would deplete the resources of the LTA.
4. Because of the significance of the matters described above, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the available accounts and other related records of LTA for the three financial years ended December 31, 2009, 2010 and 2011.

  
**Winsley S. Nanka, CPA, CFE**  
**Acting Auditor General**

**August 2013**

## 1 DETAILED AUDIT REPORT

### 1.1 Introduction

5. The audit of the LTA was commissioned on 15 June 2012. The audit covered three financial years, beginning 1 January 2009 through 31 December 2011 and it was undertaken in accordance with the Auditor-General's statutory mandate as provided for under Chapter 53.3 of the Executive law of 1972. The audit was undertaken by a team of 8 (eight) auditors drawn from the GAC.

### 1.2 Background

6. The LTA is a state owned Entity established under the Telecommunications Act of 2007 with the mandate to mainly regulate and license all telecommunication businesses and regulate frequency usage in the Republic of Liberia.

7. The LTA also collaborate, coordinate, and consult with the Ministry of Post and Telecommunications, Liberia Telecommunications Corporation and other government institutions to engage in activities relating to the telecommunication sector.

8. The Telecommunication Act of 2007 provides for a five member Board of Commissioners with the responsibility to oversee the operations of the LTA and exercise the relevant functions and powers, relative to its activities. The commissioners are appointed by the President of the Republic of Liberia. The term of office of each of these commissioners is four (4) years, and re-appointment of any of them can be done only by the President of the Republic of Liberia for a second four-year term.

### 1.3 Key Management Personnel of LTA for the period under audit

Name	Position	Period
Mr. Albert N. Bropleh	Chairman, Board of Commissioners	Sept. 2007 – Feb. 2009
Madam Angelique E. Weeks	Member Interim Management Committee	June 16 2009 – Sept 2009
Madam Angelique E. Weeks	Chairperson, Current Board of Commissioners	Sept 2009 to Date
Mr. Abullah L. Kamara	Member Interim Management Committee	June 16 2009 – Sept 2009
Mr. Abullah L. Kamara	Commissioner	Sept 2009 to Date
Mr. Lamini A. Warity	Commissioner/ Acting Chair	Nov. 2007 to May 15, 2009
Mr. Lamini A. Warity	Commissioner	Sept. 2009 to Date
Mr. Henry W. Benson	Commissioner	Sept. 2009 to Date
Mr. Harry T. Yuan	Commissioner Member Interim Management Committee	June 16, 2009 – Sept 2009

<b>Name</b>	<b>Position</b>	<b>Period</b>
Mr. Harry T. Yuan	Commissioner Member Interim Management Committee	Sept 2009 – Date
Mr. Rufus G. Brown	Comptroller	Nov. 2007 – Feb. 2010
Mr. Rufus G. Brown	Consultant	March 2010 – May 2010
Madam J. Famatta K. Sirleaf	Comptroller	Feb. 15, 2010 to Date

## **1.4 Audit Objectives**

9. The audit objectives were to obtain assurance that:

- All transactions undertaken by the LTA were done in accordance with United States Generally Accepted Accounting Principles and financial management laws of Liberia - i.e. Financial Rules, Public Financial Management Act 2009 (PFM), and PFM Regulations, Public Procurement and Concessions Act, the Telecommunication Act of 2007, Travel Ordinances, the Revenue Code of Liberia and other relevant laws and Regulations.
- There existed effective internal control over financial reporting and other operations of the Authority;
- All assets of the LTA were properly recorded, safeguarded and utilized for the purposes intended;
- System operated by the Management in the discharge of its statutory mandate would lead to the achievement of the entity's mandate.
- Prior audit recommendations were implemented fully and timely by the LTA Management.

## **1.5 Methodology**

10. In order to satisfy the above objectives, we conducted the audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). These standards require that we plan and perform the audit so as to obtain reasonable assurance as to whether the annual financial statements are free of material misstatements. The audit thus involved reviews as would enable us to appropriately report on the attainment of the audit objectives. Additionally, the reviews contained in the Auditor-General's reporting requirement, as spelt out under Section 53.7 of the Executive Law of 1972, were undertaken.

11. We adopted a risk-based approach and assessed the legal, business and the control environment of the LTA. The methods used include:

- Review of financial and other documentation.
- Inspection and verification of the Authority's assets.
- Carried out analytical review, substantive and compliance procedures.

- Carried out walk-through-tests to confirm the operation of the controls, procedures and policies. Where deviations were noted, their impact on the controls were assessed and factored in the related audit programs.
- Conducted interview with the LTA Board of Commissioners and other key officials to ascertain the extent of compliance in the application of procedures spelled out in the following regulations and Laws of the Republic of Liberia:
- Telecommunications Act of 2007
- Revenue Code of Liberia
- PPC Act, 2005 & 2010 Amended Version
- PFM Law
- PFM Regulation
- Travels Ordinance etc.

12. Findings on significant control weaknesses and other lapses noted were addressed to Management through Audit Observation Memorandums (AOMs). Where Responses were received on the AOMs, they were evaluated and incorporated in Management Letter for LTA Management's attention.

## **1.6 Scope Limitation**

13. The scope of the audit was limited by the LTA Management's failure to provide relevant documentation considered necessary for purposes of the audit, which denied assurance on the due conduct of the transactions involved. The documentation concerned is listed below for the period under review:

- Failure to prepare and submit financial statements on a quarterly and annual basis, covering the periods January 1, 2009 through December 31, 2011 on a timely basis to be audited.
- Approved Accounting or financial Manual
- Fixed Assets Register and approved Policy on Fixed Assets.
- Trial balance, budget for the months of January, February and March 2009
- Approved budget for the period April through October 2009.
- Management representation letter for the period under audit
- Approved Internal Audit Charter etc.

## **1.7 Limitation of Responsibility**

14. We reviewed the systems and management controls operated by the LTA only to the extent we considered necessary for the effective performance of this audit. As a result, our review may not have detected all weaknesses that existed or all improvements that could have been made.

15. The responsibility to put in place effective systems and controls for the prevention and detection of fraud, error and non-compliance with applicable laws and, regulations, including Telecommunications Act of 2007, the Executive Laws, the Revenue Code, PPC Act, Travel Ordinance, Public Financial Management Regulation, Public Financial Management Act of 2009, and other relevant regulations rests with the LTA's Management and Board of Commissioners.

## **1.8 DETAILED FINDINGS AND RECOMMENDATIONS**

### **1.9 Internal Control-Related Issues**

#### **1.9.1 Inadequate Internal Audit Operations at LTA**

##### **Observation**

16. The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Framework requires management of all organizations to provide an adequate and effective framework within which the internal control environment operates. This framework is set by management tone of the organization, that is, its philosophy and operating style, organizational structure, and the way in which the authority of the organization is delegated, and the commitment of those charged with governance.
17. Additionally, the COSO Framework provides that management of an entity should establish adequate procedures that ensure regular monitoring of internal controls and other activities within the entity in order to identify control deficiencies within a reasonable time. For example, adequate internal audit function plays an important role in evaluating the effectiveness of control systems. As an independent function, an adequate Internal Audit function makes possible the assessment of the internal control systems. Adequate Internal Audit Function is a cornerstone in the corporate governance system in any institution. It has become an important function that provides a pioneer role in governance quality and financial reporting quality. As such, an adequate internal audit function plays a significant monitoring role. It assists in furnishing management with analysis, appraisals, recommendations, risk management techniques, and information concerning activities reviewed to promote efficiency, economy and effectiveness at a reasonable cost in an institution.
18. Though, there existed an internal audit function at the Liberia Telecommunications Authority (LTA), the function was inadequate. The function was being undertaken by one staff that could not carry on the internal review functions alone as per best practice. As part of the prior year audit matters, it was recommended by the General Auditing Commission that the Board of Commissioners of the LTA establish an Internal Audit Unit and employ qualified internal auditors to carry out the Internal Audit functions. At the time of compiling this report, the LTA Board of Commissioners has not fully implemented this recommendation.

## **Risk**

19. The non-existence of adequate internal audit functions at the LTA could create drawback to the institution's attainment of its risk management. This is because in such situation, waste, error and the misuse of the institution's resources may not be detected for timely reporting to management for corrective measures and risks may not also be appropriately identified and managed.
20. Significant financial, managerial, and operating information may not be accurate, reliable and timely traceable.

## **Recommendation**

21. The LTA Board of Commissioners should put in place an adequate Internal Audit Section within the entity and employ at least two (2) qualified Internal Auditors to assist the current single internal auditor to adequately carryout its functions within a reasonable time.
22. An Audit Report Implementation Committee, (Audit Committee) should be set up; to which the Internal Audit head will report directly. This Committee should be charged with the full responsibility of implementing all audit recommendations (i.e. both external and internal audits findings).

## **Management's Response**

23. *LTA Management agrees. LTA's Management recognizes that an adequate and functioning internal audit section promotes an adequate and sound internal control environment. However, given the small size of LTA's staff and related transactions, being faced with financial resource constraints and considering the level of risk associated with transactions processed, LTA's Management will employ another internal auditor during the budget year 2013/2014 as opposed to two (2) as recommended by the auditor.*

## **Auditor General's Position**

24. The LTA's Internal Audit Unit did not have a defined mandate (charter) as well as approved Internal Audit Manual for guidance in the discharge of its functions. The Internal Audit Unit was inadequately staffed with only one personnel to audit and report on all activities of the entity. In my view, the Internal Audit Unit can't cover the entire operations of the LTA, both at central office located on 12th Street and Catholic Junction sub office. During my evaluation of the Internal Audit, we were provided an inter-office memorandum which was written by the internal auditor and addressed to the LTA Board of Commissioners with title: Justification for Increase in Internal Audit Staff, meaning that the Internal Auditor requested for the hiring of additional staff for the Internal Audit Unit. In said memo, the internal auditor informed management that, he was faced with the challenges of providing assurances regarding the effectiveness to prevent and detect misstatements or other irregularities relative to the high risks related activities of the LTA.

25. Additionally, the non-existence of Audit Committee as well as non-responses to audit findings and failure of Management to implement external audit findings from prior year's audit showed that, there were lots of weaknesses in internal controls, thereby posing high risk to the entity. It is from this background that I recommended the hiring of at least two additional staff to adequately carry-out the Internal Audit Function. In order to facilitate the attainment of the LTA's mandate, I urged the LTA Management to adequately address all issues noted with the operations of its Internal Audit Unit.

### **1.9.2 Failure of the LTA Management to provide written response on internal audit reports**

#### **Observation**

26. As part of the audit procedures, we requested the Internal Audit reports for the period under audit in order to verify and evaluate the Internal Audit work and determine whether reliance can be placed on the work of the internal audit at LTA.

27. During the course of our review, we observed that several reports were completed and communicated to the LTA Management, but management and other staff concerned failed to provide written responses to those observations outlined in the reports. Examples of such three Internal Audit Reports include the following:

- Procurement Audit report - payment made for assorted office furniture and fixtures in the amount of US\$5,060 with no indication (i.e. receiving report/delivery note) for the delivery of materials, non-compliance with PPC Procedures for the request for quotation, and procurement of goods were not negotiated in the interest of LTA purchased of 60KVA Gen value at US\$16,000.
- WATRA -Expenditure audit report of formal plan of activities for which LTA spent a total sum of US\$22,686.50 for the hosting of the workshop.
- Contributions to Employees Injury Scheme and National Pension Scheme audit report, etc.

#### **Risk**

28. Internal audit function is an independent appraisal function established by the management of an entity to review the effectiveness of the system of internal controls of an entity and provide risks management strategies within the entity. Thus, the failure of LTA Management to review, implement and provide responses to Internal Audit reports denied assurance that risk mitigating strategies were being pursued.

#### **Recommendation**

29. The LTA Management and the Board of Commissioners should respond and implement recommendations conveyed in the Internal Audit reports that were yet to be responded to.

### **Management's Response**

30. *Management did not respond to this observation*

### **1.9.3 Absence of Approved Internal Audit Charter at LTA**

#### **Observation**

31. International Standards for Professional Practice of Internal Auditing (ISPPIA) 1000 stipulates that the mandate, purpose, authority, and responsibility of internal audit activity must be formally defined in an Internal Audit Charter, consistent with the definition of internal auditing, the code of ethics, and the standards. The internal audit charter establishes the internal audit position within the organization, It also establishes reporting relationship with the heads of entities, authorizes access to records, personnel, and physical property relevant to the performance of engagements. It defines the scope of internal audit activities. Final approval of the internal audit charter is entrusted in the head of entity. The Head of Internal Audit must periodically review and recommend amendment, where necessary, to the internal audit charter and present it to the Board of Commissioners for approval. Contrary to the requirements of ISPPIA 1000, there is no evidence that the LTA Internal Audit operated with an approved internal audit charter.

#### **Risk**

32. Non-existence of an Internal Audit Charter for LTA may not determine whether the LTA's governance processes are functioning in a manner to ensure that the mandate, purpose, authority, and responsibility of internal audit activity is formally defined, consistent with the definition of internal auditing, the code of ethics, and the standards.

#### **Recommendation**

33. The LTA Board of Commissioners should ensure that the Internal Audit Unit is operating with an approved Internal Audit Charter, as it is a formal document that defines the internal audit role, mandate, activity, purpose, authority and responsibility.

### **Management's Response**

34. *LTA Management agrees: LTA's Management recognizes the importance of an Internal Audit Charter in any entity like ours. Against this background, an Internal Audit Charter, reflecting the business and control environments of LTA has been drafted and referred to the Board of Commissioners for deliberation and adoption as may be appropriate. A copy of said Charter was one of many documents provided to the auditors during the course of this audit engagement. Once adopted, a copy of the approved Charter will be provided to the GAC.*

#### **Auditor General's Position**

35. I urge Management that all efforts should be made to adopt an Internal Audit Charter for the smooth operations of the Internal Audit Unit, as it is a formal document that defines the internal audit role, mandate, activity, purpose, authority and responsibility.

#### **1.9.4 Absences of Fixed Assets Register and approved policy regulating fixed assets**

##### **Observation**

36. Internationally, as part of good internal control practice, a policy relating to the control and safeguard of government assets must be put in place and implemented to ensure control over government assets. This requirement is endorsed by Regulation C.8 (4e), PFM Regulations, which stipulates that head of a GOL Agency or Spending Unit in collaboration with the General Services Agency must compile and maintain assets register of the Government Agency as determined by the Comptroller-General. Fixed Assets Register provides descriptions of the asset, date of purchase, cost of assets, assignees, serial number, codes number and other relevant details that would enhance proper accountability and the safeguarding of government assets.
37. Fixed Assets Register allows the institution to keep track of details of each fixed asset, ensuring control and preventing misappropriation. It also keeps track of the correct value of assets. Fixed asset register generates an accurate, complete, and customized report that suits the needs of management of every institution. It should contain all capital assets such as vehicles, motor bikes, generators, office furniture, office equipment, etc.
38. Contrary to the above, it was observed that LTA did not maintain a Fixed Asset Register for the recording of its assets during the period under audit. Additionally, the Management of the LTA did not approve policies, rules and regulations relating to the usage, maintenance and disposal of its fixed assets. Moreover, from the result of physical verification of the Authority assets, it was observed that many of the assets owned by the entity were not identity-coded.

##### **Risk**

39. The absence of a Fixed Assets Register could create an opportunity for substituting new items procured with old items, which may encourage misuse and theft of assets, as the fixed assets register constitutes a control over fixed assets.
40. Additionally, in the absence of established policies to safeguard the maintenance and disposition of the LTA's assets, the likelihood of the assets being disposed of in an inexplicable manner could not be ruled out.

##### **Recommendation**

41. The LTA Board of Commissioners should ensure that the Finance Section of the entity institutes a Fixed Assets Register for the recording of the LTA's fixed assets, capable of providing all the relevant information detailed above. An update of the Fixed Asset Register should be undertaken continually by the Management of the institution, which will help in the reconciliation of physical assets to the Fixed Assets schedule.

42. Furthermore, all un-coded assets owned by the entity should be coded and placed in the Fixed Assets Register.

### **Management's Response**

43. LTA Management agrees: LTA's Management recognizes the importance and benefits to entities such as ours, to maintain a complete fixed assets register. However, the current Management inherited an incomplete financial system and is currently endeavouring to have such anomaly remedied. To this end, the LTA Management has just compiled all of its assets into a register, adopted the Fixed Asset Policy and will soon complete depreciation. A copy of the final Fixed Asset Register will be submitted to your commission.

### **Auditor General's Position**

44. This recommendation was one of the prior year audit matters but was not implemented during the course of the period under audit and up to the time of compiling this report. The LTA Management should ensure that this recommendation is fully adhered to.

## **1.9.5 Lack of approved financial manual for accounting related Procedures**

### **Observation**

45. V.1 (3), PFM Regulations, states *"the head of Government Agency must ensure that processes (whether manual or electronic) and procedures are in place for the effective, efficient, economical and transparent use of the assets assigned to the institution"*.
46. Regulation C.9 (2), PFM Regulations, additionally requires that "head of government agency or spending unit may provide for the delegation of his or her duties in the government agency's accounting manual".
47. A Government entity like LTA is required to formulate and institute a well-documented financial manual in which details of procedures are to be observed on a constant basis by staff involved in the related accounting functions. A Financial Manual also serves as a control tool for management and provides guideline in managing the institutions funds. However, it was observed from the review of the accounting systems operated by the LTA, that the entity has no approved manual for accounting financial related procedures.

### **Risk**

48. The absence of approved financial or accounting manual could allow the financial operations of the LTA to be left to the discretion and personal judgment of individuals.

### **Recommendation**

49. Given that the operating procedures and guidelines are formulated to support processes and guarantee efficiency, the LTA Management should develop, approve and implement Financial Manual outlining all accounting procedures, processes and controls to be used by the staff of LTA Finance Section and ensure it regular update.

### **Management's Response**

50. *LTA Management agrees: LTA's Management acknowledges that a financial manual for accounting related procedures supports accountability processes and ensures efficiency. As such, LTA has developed an accounting policy and procedures manual, which has been submitted for review and adoption by the Board of Commissioners. Once adopted, a copy of the finalized approved version will be submitted to the GAC.*

### **1.9.6 Financial Issues**

#### **1.9.7 Over payment of per-diem for foreign travel to LTA officials and employees**

##### **Observation**

51. The 2007, 2010 and 2011 Travel Ordinance requires that all public corporations and parastatal organizations be paid per-diem at the same rates specified herein, subject to the approval by their respective Boards.

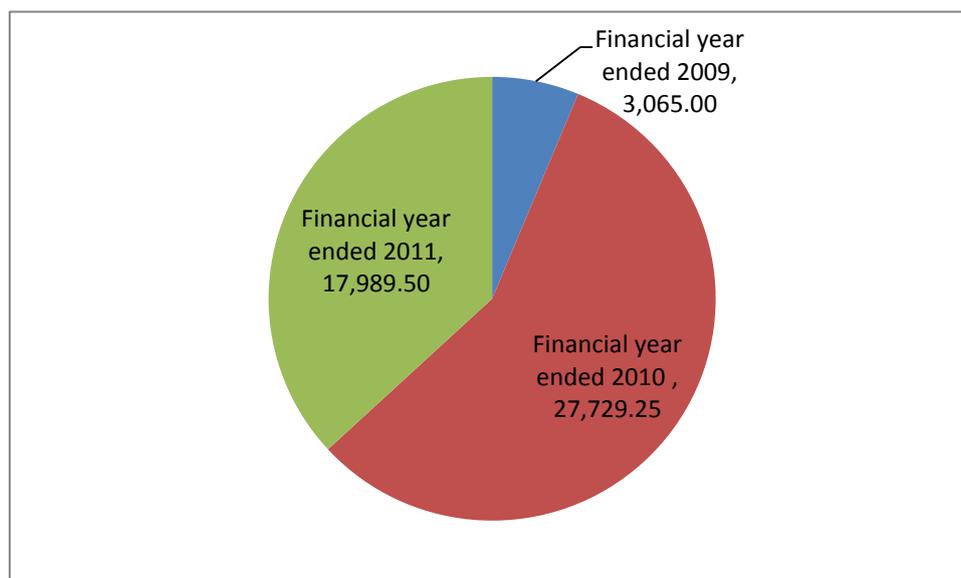
52. The LTA disbursed an amount of US\$183,000.00 on per-diem for its officials on foreign travels which were not in accordance with GOL's Foreign Travel Ordinance. Based on the rate indicated in the travel ordinance on foreign travel. My calculation showed that an amount of US\$134,216.25 should have been the appropriate amount to be spent on per-diem for foreign travels for the three years stated above, based on the procedures and guideline indicated in the foreign travel ordinance of the Republic of Liberia.

53. Contrary to the above requirements outlined in the Travel Ordinance, expenditures on excess per-diem for foreign travels amounting to US\$48,783.75 were made without adhering to the prescribed rates- Meaning that the said amount was an excess or over-payment as the result of non-compliance with the Travel Ordinance issued by the Government of Liberia as shown in **table 1 and par chart 1 below:**

**Table 1** Over-payments of per-diem occurred within the respective periods stated

	<b>Over-payment of per -diem (USD)</b>
Financial year ended 2009	3,065.00
Financial year ended 2010	27,729.25
Financial year ended 2011	17,989.50
<b>Total</b>	<b>48,783.75</b>

### Par chart-1 Over-payments of per diem occurred within the respective periods



#### Risk

54. Non-adherence to the extant regulatory framework on foreign travels could undermine the aims, purpose and existence of the regulation.

#### Recommendation

55. The LTA Board of Commissioners should provide substantive justification for not complying with the requirements of the Travels Ordinance policy on foreign travels when its officials and employees undertook foreign travels.

56. All employees and officials of the LTA, who received per-diem allowances above the rate stipulated by the Travel Ordinance policy should refund the over-payments to the LTA.

#### Management's Response

57. *LTA Management disagrees. According to section 9 of the Telecommunications Act of 2007, the President appoints the members of the working board of commissioners to run the daily operations of the LTA. The Board of Commissioners is thereby clothed with the authority to develop and adopt policies and procedures, taking into consideration multiple factors, including the prime interest(s) of the LTA in running its daily operations. Against this background, officials and employees who travelled during the period under audit were issued per diems considering the background that LTA is an autonomous agency which generates its own income, contributes significantly to the National Budget, and therefore sets its own per diem rates as approved by the Board of Commissioners.*

58. *Prior to July 2012, the LTA used the travel allowances structure that had been adopted by the previous Board of Commissioners in 2008. The current BOC has adopted a Foreign Travel Policy that took effect July 1, 2012 and which sets forth the travel allowances for officials and staff.*

### **Auditor General's position**

59. The Travel Ordinance published by the Government of Liberia, is a travel regulation that governs all travels activities in all Government of Liberia's Ministries, Agencies, institutions or Commissions including the LTA. The Board of Commissioners of LTA assertions that LTA is not subject to the Foreign Travel Ordinance, is a misstatement. LTA is government owned entity and therefore must abide by all government rules, laws, and regulations. It is the Government of Liberia's Travel Ordinance that governs all aspects of travel activities at the level of public entities.

60. The 2007, 2010 & 2011 Executive Ordinance on Foreign Travel of the Republic of Liberia, requires that all public corporations and parastatal organizations be paid per diem at the same rates specified herein, subject to the approval by their respective Boards.

### **1.9.8 Failure of LTA officials and employees to retire travel documents on foreign Travels for Incidental Allowance received**

#### **Observation**

61. The Travel Ordinance also requires that upon return from abroad, officials and employees are required to retire travel documents including proper receipts for telephone, telegraph, internet and entertainment as well as ticket stub to the Finance Department of their institution. The Foreign Travel Ordinance of Liberia further requires that per diem for all others shall be as per the rates specified in the travel ordinance.

62. According to the guidelines and procedures in the travel ordinance regarding payment of incidental allowances for foreign travel on account of the Government of Liberia, travel disbursement form should be filled, and attached to the foreign travel payment voucher prior to the trip, and completed upon return to Liberia. For the completion of the form, the following information and documents are required:

- Date and departure time from Liberia, date and arrival time at destination.
- Date and of time departure from destination, and date and time of arrival in Liberia.
- Actual amount spent on hotel with receipt(s) supporting all expenditures incurred on account of the incidental allowances provided for the travel and amount expended including all supporting documents.

63. Contrary to the above requirements, expenditures on foreign travels amounting to US\$29,700 were made without adhering to the procedures and guidelines as it relates to retirement of travel documents for incidental allowances paid for the travels. Payment vouchers for incidental allowances on Foreign Travel were not supported with the travel disbursement form and the retirement documentation (see schedules 2a-2c).

64. There was no evidence that the LTA Board of Commissioners and the Comptroller were observing the foreign travel ordinance, in order to ensure adherence to the requirements and procedures in the travel ordinance, which required retirement of travels documents by employees and officials who had travelled.

### **Risk**

65. Non-adherence to the requirements of the Foreign Travel Ordinance in the payment of per-diem allowances is a misuse of public resources. Disbursements on foreign travels may not be applied to the intended purposes.

### **Recommendation**

66. The LTA Board of Commissioners should therefore account for payments amounting to US\$29,700 spent on incidental allowances for foreign travel paid to LTA's Employees and officials in violation of government guidelines provided in the Government of Liberia Foreign Travel Ordinance of 2007, 2010 & 2011.

67. Again, the Chairperson, Madam Angelique E. Weeks, together with the Board of Commissioners and the Comptroller, Madam J. Famatta Kallon-Sirleaf, should ensure stern conformity with the guidelines and procedures on incidental allowances in the Foreign Travel Ordinance published by the Government of Liberia.

### **Management's Response:**

68. *LTA Management agrees: Prior to July 2012, the LTA used the travel allowances structure that had been adopted by the previous Board of Commissioners in 2008, which did not require Incidental Allowance reports/retirement of travel documents. The current BOC has adopted a Foreign Travel Policy that took effect July 1, 2012 and which requires LTA Employees to retire travel documents on Foreign Travel for Incidental Allowances received.*

## **1.9.9 Non-existence of approved budget & no budget to guide LTA's operations**

### **Observation**

69. A budget is essentially a plan of activities to be executed within a defined period of time, usually a year for government entity. A budget is normally translated into an estimate of costs, revenues, and resources over a specified period, reflecting a reading of future financial conditions and goals. It is one of the most important administrative tools, and it serves as a plan of action for achieving quantified objectives, standard for measuring performance, and device for coping with foreseeable adverse situations.

70. Section 9(5) of the Telecommunications' Act of 2007 requires the Board of Commissioners of LTA to prepare annual budget to be submitted to the President of the Republic of Liberia for approval.

71. In view of the above, the LTA's budgets for the financial years under audit were requested, for the purpose of determining whether the entity planned its activities and

programs and if planned activities were followed. I could not determine this due to the fact that there was no budget for three (3) months, January through March 2009 and no approved budget for seven months (April through October 2009). Additionally, there was no evidence that the budgets for the financial years 2010 and 2011 were approved.

72. The LTA Management operated without budget guidance for a period of three months for the financial year 2009. Non-preparation of budget for the three months mentioned above constitutes violation of the Telecommunication Act of 2007.

73. Even though there was no budget for the period of three months, expenditures as per the Authority bank statement from the CBL, amounted to US\$336,109.13 were expended from the Authority's accounts during the three months.

74. The budget submitted in response to the audit observation memorandum by LTA's Management covering seven months (April through October 2009) was neither signed by the LTA Management nor approved by the President of the Republic of Liberia as required. Notwithstanding, expenditures amounting to US\$840,953.46 were spent from the Authority account within this seven months period.

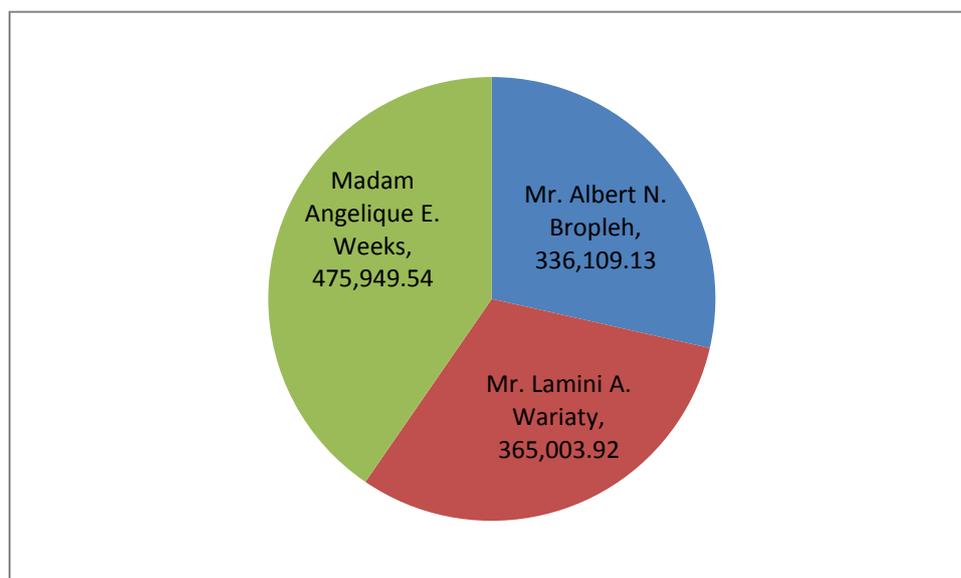
75. LTA's pursuit of operations without the guidance of a budget and an approved budget implies haphazard operations which may not yield optimum outcomes. LTA's failure to provide budget for January through March 2009, an approved budget for the months of April through October, 2009, could serve as basis for spending public funds without authorization.

76. Total expenditures as per the Authority's bank statement from the CBL, amounted to US\$1,177,062.59 were incurred from the Authority's account during the ten (10) months (January through October, 2009). **See below table 2 & Par chart 2**

**Table 2- Expenditures incurred by each head of LTA with in the first ten (10) months of 2009**

LTA Head	Period in 2009	Comments	Amount expended US\$
Mr. Albert N. Bropleh	January 1, 2009 to March 31, 2009	No budget	336,109.13
Mr..Lamini A. Wariaty	April 1, 2009 to June 30, 2009	Budget not signed and approved	365,003.92
Madam Angelique E. Weeks	July 1, 2009 to October 30, 2009	Budget not signed and approved	475,949.54
	<b>Total amount expended</b>		<b>1,177,062.59</b>

**Par chart 2: Expenditures incurred by each head of LTA within the first ten (10) months of 2009 without approved budget**



**Risk**

77. The LTA operated in 2009 without budget for three months (January –March), and an approved budget for nine (7) months (April – October 2009). This omission constitutes violation of the 2007 Telecommunication Act. Additionally, the absence of budget and approved budget, denied the basis for evaluating the performance of LTA’s management for the period under audit. Moreover, the absence of approved budgets to guide the Authority’s operations could expose the LTA’s resources to misuse.

**Recommendation**

78. The LTA Board of Commissioners should provide substantive justification why it operated without budget for three months and approved budgets as indicated above for the period under audit.

79. Going forward, LTA Board of Commissioners should ensure that the entity’s budget is duly approved by the President of the Republic of Liberia before execution, as required under Section 9(5) of the Telecommunication Act of 2007.

80. Further, the LTA Heads named in the table on page 18, should be held accountable for the expenditure made from the Authority accounts for ten (10) months in 2009 without budget and approved budget thereby violating the provisions of the Telecommunications Act.

**Management Response**

81. *LTA Management disagrees. From analysis of our financial records, the financial transactions of fiscal year 2009 were consummated by during the following fragmented periods.*

82. *January to March, 2009-Board of Commissioners led by Chairperson Albert Bropleh.*
83. *During this period, the current Board of Commissioners has no evidence as to whether LTA had an approved budget or not.*
84. *April to June 2009 – Board of Commissioners led by Acting Chairperson Lamini A. Warity. After the suspension of Chairperson Bropleh, Commissioner Lamini A. Warity was temporary designated by the President to lead the LTA. Recognizing the need to operate within the ambit of a budget, the four members Board of Commissioners prepared and submitted to the office of the president for executive review and approval, a budget to sustain the LTA for three (3) months. While seeking budget approval, the LTA continued operating but expenditure related solely to recurring activities without which, the LTA could have been constrained to shut its doors. The four (4)-persons Board's decision to expend LTA Funds without an approved budget was sanctioned by the instruction of the president via letter, a copy of which is hereby submitted. In mid-May2009, the 4-person Board of Commissioners, including Acting Chairperson Lamini A. Warity, resigned from office and the day today-affairs of the LTA were left to senior staff to lead and hold over pending Executive action.*
85. *July to October, 2009 – Interim Management Committee led by Acting Chairperson Angelique Weeks.*
86. *The Interim Management Committee (IMC), which was appointed on 16 June 2009, upon taking office, immediately commenced the budget preparation and Executive review process for FY July 2009 to June 2010, based on the assumption that the LTA's fiscal year was the same as the Government of Liberia's. The first draft budget dated 4 July 2009 and presented for Executive approval on 6 July 2009, was followed by numerous iterations and reviews with the then Minister of State for Fiscal, economic & Legal Affairs (who was designated by the President as her focal point and liaison with the IMC for budgetary matters). After several months of this iterative exercise, in September 2009 the then- Comptroller (Mr. Rufus Brown) belatedly informed the IMC that the LTA's fiscal year actually ran from 1 January to 31 December. With this new information, the IMC prepared and proposed a revised budget that would support the LTA's operations through 31 December 2009 the end of FY 2009.*
87. *As LTA is the arm of the Government of Liberia charged with the statutory responsibilities of regulating a very sensitive sector, it would have been unconscionable to have put a stop to the running of its daily activities as a result of the absence of an approved budget. Shutting down the operations would have constituted a dereliction of duty and arguably, a grave violation of the Act that created the LTA. Notwithstanding the absence of a signed budget, the IMC received oral approvals from the Executive to disburse funds for essential operational and maintenance expenses in August, September and October 2009 that were necessary for the upkeep of the LTA. Copies of LTA internal memoranda are submitted herewith for validation.*

88. *November to December 2009- Current Board of Commissioners led by Chairperson Angelique Weeks.*
89. *Following confirmation by the Liberian Senate, the LTA Board of Commissioners was redirected by the Executive to liaise with the Ministry of Finance's National Budget Committee for review and approval of its budget for remainder of 2009. After several meetings with the National Budget Committee, the LTA Board of Commissioners received approval of its budget for November and December 2009. A copy of this budget was submitted to the GAC auditors during the audit engagement.*

### **Auditor General's Position**

90. The significance of my recommendation on the execution of the LTA budgets without Executive approval is a violation of the Telecommunications Act of 2007. The budget of the LTA shall be subject to compliance with all national accounting and budgetary laws.
91. In the absence of evidence for approved LTA's budget for the period mentioned above, I maintain that it is the responsibility of LTA's management to prepare a budget and ensure Executive's approval for each financial year.

### **1.9.10 None-preparation and submission of Financial Statements**

#### **Observation**

92. Section 45(1) of the PFM Law of Liberia states that "State-Owned Enterprises shall, within one month after the end of the previous quarter, submit their quarterly financial statements to the Sector Minister".
93. Section 36(1,3) of the 2009 Public Financial Management Act also states that, "it is the general responsibility of government official handling public financial transactions to ensure that all financial information is reported in a timely, comprehensive and accurate manner. All spending entities shall further submit to the Minister on a quarterly basis the accounts of the spending agency comprising a statement on cash flow, a statement on revenue and expenditure, a balance sheet showing assets and liabilities as at the end of the quarter".
94. Furthermore, Regulation M.10 of the Public Financial Management Regulations requires each State-Owned Enterprise to prepare quarterly financial statements within one month after the end of the previous financial quarter. In addition to the financial statements, the report shall include statements and documents relating to borrowing and debt servicing, including government guaranteed debt, as well as any debt they have restructured, and any outstanding arrears to suppliers more than 90 days overdue.
95. According to Regulation I.15(2) PFM Regulations, 'head of government agency who fails to submit financial statements of the Government agency is in breach of financial discipline as defined in Regulation A.20'. Similarly, Regulation A.20 (2-5) of the PFM Regulations requires that:

96. Any person required to perform any function or duty either under Public Finance Management Act of 2009 or under these regulations who fails to perform that function or duty within the time required, is in breach of financial discipline under this regulation.
97. Disciplinary action for misconduct, omission or non-performance shall be taken against any officer contravening any instruction specified in sub regulation A20 (1).
98. On the recommendations of the Minister of Finance or the Auditor General, disciplinary action for misconduct shall be taken against the head of government agency who has contravened any instruction specified in these regulations or accounting manual.
99. Sanctions for breach of financial discipline shall be consistent with the Civil Service Code, and this may include any of the following:
- A written or oral reprimand,
  - Suspension with loss of salaries and other remunerations,
  - Demotion in grade with or without reduction in remunerations
  - Interdiction for a period prescribed in the condition or scheme of service,
  - Termination or dismissal from employment,
  - Surcharging the officer with the amount lost and the applicable penalty, if any or
  - Prosecution, depending on gravity”.
100. An important aspect of financial management, stewardship and the primary mechanism, by which public entities meet their financial accountability obligations, is through the preparation of financial statements.
101. It is generally accepted that the timely production of an entity's financial statements is an important indicator of the effectiveness of an entity's financial management performance. Sound financial management fosters confidence in the entity on the part of heads of government institutions, the Legislature and other stakeholders. As such, the preparation of public entities' financial statements and the necessary systems, procedures, and practices that underpin them should be a high priority for public entities.
102. There was no evidence that the LTA Management prepared financial statements on a quarterly and yearly basis. Though the financial statements were requested on June 18, 2012, during the planning phase of the audit engagement. The LTA Management was not able to provide financial statements until May 27, 2013 after the audit report has been drafted.
103. During the course of the audit, the LTA Board of Commissioners through the Finance Section did not submit financial record like trial balance, fixed asset register, approved financial or accounting manual for financial reporting and auditing purposes.

### **Risk**

104. Failure to regularly,(quarterly & yearly) prepare and submit the Authority's financial statements would prevent its stakeholder's insight into the LTA's financial position, performance and cash flows. As regards the LTA Management, the omission would impact its ability to effect decision-making, where necessary.

### **Recommendation**

105. The LTA Board of Commissioners should provide substantive justification for its failure to adhere to the requirements of Sections 45(1) and 36(1, 3), PFM Act and Regulation M.10, PFM Regulations of Liberia
106. The LTA Board of Commissioners should henceforth ensure the timely (quarterly and yearly) preparation and submission of financial statements in accordance with the provisions of the PFM Act and regulation and the adopted financial reporting framework of the entity.

### **Management's Response**

107. *Received 27 March 2013 - LTA Management agrees. The LTA is not a State-Owned Enterprise and therefore doesn't fit in the category to adhere to the requirements of Section 45(1) of the PFM Law, which states that "State-Owned Enterprises shall, within one month after the end of the previous quarter, submit their quarterly financial statements to the Sector Minister Notwithstanding, the LTA is in the process of finalizing the approval of its financial- policies and procedures manual that will guide the execution of financial transactions/activities in compliance with International Accounting Standards. Additionally, plans are in process to ensure that the Finance Section formally prepares and submits its financial statements by or before June 30, 2013. This date is highlighted in the LTA Short Term Strategic Goals. Upon completion of its Financial Statements, copies will be provided to the GAC.*
108. *Additional Response received 27 MAY 2013 - During the Entrance Conference of your audit, we told the former Executive Director of GAC (Mr. Richard Wisseh) that prior to the commencement of audit, the LTA has adopted International Financial Reporting Standard (IFRS) as the accounting framework in reporting the results of its financial operations, therefore, there was no financial statements available prepared in accordance with IFRS that should be presented to the GAC team of auditors. In lieu of cooperation, we however provided Budget performance Reports for the period under audit.*
109. *However, the LTA, through its finance section subsequently determined that financial statements based on US GAAP could be generated from its accounting system (QuickBooks). However, because these financials were not IFRS compliant, they were not submitted during the audit fieldwork.*
110. *As you stated during the entrance conference, fieldwork and discussion of the DML, the audit due process allows auditees to submit additional evidence before the finalization of the audit report. We therefore refer you to annexure A, B, and C for copies of financial*

*statements for the period under audit. Again, please note that these statements were prepared in accordance with US GAAP (not IFRS).*

### **Auditor General's Position**

111. The Public Financial Management Act is a law enacted by the National Legislature that provides guidance for all Government of Liberia's institutions or agencies on the management and regulation of all public funds or public resources, to which the LTA is not an exception, and this fact is also stipulated by the Telecommunications Act of 2007.
112. Section 1(2) of the Public Finance Management Act states that, this Act governs all matters relating to the management of the public finances of the Republic of Liberia.
113. Section 1(3), PFM Act also states that the provisions of this Act apply to all agencies, entities and institutions of the central government. For the purposes of this Act, the central government includes:
  - (a) The Executive and all its agencies/entities/institutions
  - (b) The Legislature and all its agencies/entities/institutions
  - (c) The Judiciary and all its agencies/entities/institutions
  - (d) Autonomous Public Agencies under central government control.
114. Additionally, Section 1(3), PFM Act, defines "Agency of the Government" or "Government agency" as every ministry, independent establishment, division, bureau, board, commission, institution, authority, organization of the Government including counties, cities, towns, villages and other local authorities or political or governmental sub-divisions of the Republic of Liberia.

### **1.9.11 Bank Reconciliations**

#### **Observation**

115. Bank reconciliation is the procedure of matching and comparing figures from accounting records against those existing on a bank statement and finding any discrepancy in the bank statement or accounting books. The discrepancy may occur in the balances due to the different timing of recording information in the bank account, and the LTA's accounting books. Such discrepancy is adjusted provided regular monthly reconciliations are performed.
116. During the course of our audit for the periods under review, we observed that the Comptroller of the LTA did not review and approve bank reconciliations prepared from September through December of 2009 and from January through April of 2010 for the current accounts maintained at the CBL.

117. Moreover, it was observed that the Finance Section of LTA did not prepare Monthly Bank Reconciliation of the current accounts maintained at both Eco-bank and United Bank for Africa (UBA) for the period under audit. **See below table 3.**

**Table 3: LTA Bank Accounts**

Name of Bank	Currency	Types of Account	Account No.
United Bank for Africa (Liberia) LTD	USD	Current Account	53010060000102
Ecobank(Liberia)LTD	USD	Current Account	0011014700429001
Ecobank(Liberia)LTD	USD	Current Account	10250216422017
Central Bank of Liberia(CBL)	USD	Current Account	220630009400

### Risk

118. In the absence of monthly bank reconciliation, errors could go undetected; the true cash position of the entity might not be easily established; it is also difficult to discover irregular payments, and error that could exist in dealing with banks.

### Recommendation

119. Management of the LTA through the Finance Section should carry out bank reconciliation for all current accounts maintained at the various commercial banks mentioned above on a monthly basis and not only the account maintained at the Central Bank of Liberia. Besides, management of LTA should further ensure that reconciliation statement should consistently be reviewed, approved, and documented by the Comptroller.

### Management Response

120. *Relative to LTA's payroll accounts maintained at ECOBANK and UBA, Management agrees that no reconciliations of these accounts were performed. Henceforth, Management will ensure that these accounts are reconciled monthly. Relative to LTA's General Account at CBL, Management disagrees. LTA regularly prepares bank reconciliations. However, Management acknowledges that the reconciliations were not reviewed and approved by a senior staff relative to the preparer. This control weakness has been addressed as evidenced by subsequent reconciliations prepared during the course of 2010.*

### Auditor General's Position

121. I did not make reference to LTA's bank account at the CBL with regards to no reconciliation. I indicated in my observation that the Comptroller of the LTA did not review and approve bank reconciliations prepared from September through December of 2009 and January through April of 2010 for the current accounts maintained at the CBL.

## 1.9.12 Checks value US\$2,232.50 outstanding for more than six months

### Observation

122. Section 2400 of the Revenue Code of Liberia, states that "*checks issued by the Republic of Liberia shall be valid for the period of six months from the date issued*".

123. During my comparison of LTA's Cashbook, bank statements and review of the bank reconciliation relating to the operational account of LTA at the Central Bank of Liberia (CBL) I observed that outstanding checks with value, US\$2,232.50, remained outstanding for more than six (6) months. **See Table- 4 below:**

**Table-4: Outstanding checks for more than six months**

Date of check	Check #	Payee	Description	Amount (US\$)
April 27, 2011	0006079	Quardu-Development Association	LTA Contribution for Kamadu-clinic construction	1,500.00
Feb. 8, 2011	695320	New Era Publication	Printing & publication	325.00
Dec. 8, 2010	695054	Exodus, Inc.	Pmt. For 25 sack of water for BOC	87.50
Dec. 10, 2010	695086	SOK Records	Pmt. For PA System for National-Consumer Forum	100.00
Dec. 16, 2010	695186	Kamal Business Center, Inc	Pmt. For locks for LTA	120.00
Nov. 19, 2010	692694	James Korma	Printing and Publication	100.00
<b>Total</b>				<b>2,232.50</b>

### Risk

124. The cashbook may be understated and the bank balance overstated by the total amount of outstanding checks.
125. Outstanding checks could be cashed at a time when the LTA does not have sufficient funds to support the encashment, thereby incurring additional charges for insufficient funds or unauthorized overdraft.

### Recommendation

126. The requirement of Section 2400 of the Revenue Code of Liberia relating to staled checks should be strictly adhered to by the LTA Finance Section. LTA Management should be made to account for the outstanding checks mentioned above.

### Management's Response

127. *Of the six outstanding checks, Kamal Business Center, Inc., and New Era Publication have been "Voided" as the payees did not take custody of them. The check for Quardu Development Association was reissued after six months and it has since hit our account as withdrawal. Checks for Exodus, Inc, SOK Records, and James Korma were signed for by the payees but there is no indication that they have cashed them. Furthermore, LTA is unable to identify these payees to retrieve these checks. However, our financial management rule will not allow the payees to withdraw on our account even if the checks are still in their possession.*

### 1.9.13 Deviations noted with Payroll

#### Observation

- 128.** Three personnel names were included on LTA Payroll during the financial year in 2009, and paid salaries when the effective date of their employment has not commenced. These employees benefited from salaries prior to their employment taking effect as indicated in Table 5 below:

**Table-5: Payments made to employees prior to their employment taking effect**

Staff Name	Effective Date of Employment	Months Paid For	Salary (USD)	Allowances (USD)	Total (USD)
Anthony George	Nov.2,2009	September & October, 2009	500.00	429.36	929.36
Alphonso Vuogon	Nov. 2,2009	September & October, 2009	450.00	429.36	879.36
Cecelia Best	Aug. 1,2009	July 2009	213.76	179.36	393.12
<b>TOTAL</b>			<b>1,163.76</b>	<b>1,038.08</b>	<b>2,201.84</b>

#### Risk

129. Paying personnel monthly salaries before the actual dates of their employment undermines the Authority's payroll policy and that of the Public Financial Management Regulations.

#### Recommendation

130. The LTA Board and Comptroller should provide substantive justification for paying the three staff before the effective dates of their employment. The LTA Board and Comptroller must account for the unearned salaries amounting to US\$2,201.84 paid to the three staff. Said amount should not stand as a charged to the entity account.

#### Management's Response

131. *Relative to deviations in payroll, LTA Management agrees but this constitutes a minor deviation as opposed to how it is described in the AOM. The contracts of the employees concerned did expire and management was in the process of transferring them to the regular payroll but the former Human Resource Manager was out of the country seeking medical attention, which delayed the process. These employees are current staff of the LTA.*

#### Auditor General's Position

132. I disagree with LTA Management's Response as regards deviations in payroll, indicating that Management agrees but this constitutes a minor deviation as opposed to how it is

described in the AOM. In line with the ISSAIs as promulgated by ISA 320 and INTOSAI, materiality of an issue is not determined by quantitative factors alone, but by qualitative factors as well. In this instance, the nature of the omission observed is qualitatively significant. The very omission or control weakness that led to apparent unjustified payment of US\$2,201.84 could lead to a loss of millions of US dollars. This should be the focus of LTA Management's response on the issue and not the amount involved. Therefore, I maintain my position.

#### **1.9.14 Non-adherence to the PPC Act**

##### **Observation**

133. I analysed the LTA's Capital Expenditures for the periods under review, as part of the audit process. The objective of the analysis was to establish whether procurement of goods and services or contracts were duly supported by requisite documentation such as quotations, bid documentation, business registration, bids evaluation and selection of lowest most responsive evaluated bids, and to also verify as to whether each contract was published in line with the PPC Act, 2005, and the 2010 amended version.
134. For the period 2010 and 2011, the Management of LTA did not adhere to the PPC Act, 2005 for the procurement of some capital goods and award of contract. Examination of document revealed that procurement of capital goods were not supported by relevant documentation. As observed, Capital Goods totalling US\$216,520.00 acquired by the LTA during the periods under review were not supported by appropriate documentation.
135. For instance, the contracts were not published in procurement bulletin, gazette and newspaper of wide national circulation, notice of each contract awarded. Section 37, PPC Act of 2005 states that, Procuring Entity shall promptly publish in the Procurement bulletin, gazette and any newspaper of wide national circulation notice of each contract award in which the price of the contract exceeds the threshold of US\$ 25,000 in the case of contracts for the procurement of goods. This is also promulgated by Section 37 of the 2010 amended version of the PPC Act, 2005 which indicates that procuring entities shall give prompt notice of contract awards to the commission for publication, when the contract price of the procurement exceeds US\$20,000 in the case of contract for the procurement of goods.
136. As a result, I could not obtain assurance that the capital goods listed in the table below were acquired in accordance with the requirements of Sections 37, of the PPC Act of 2005 and the 2010 amended version as indicated in Table 6 below:

**Table-6: Capital expenditure procured without adherence to the PPC Act:**

Date	Voucher #	Payee	Nature of Transaction	Amount-(US\$)
5/3/10	3490	Cape Logistics & Equipment, Inc.	Purchase of one Vehicle, 50% of the total cost	20,375.00
8/7/10	3821	Cape Logistics & Equipment, Inc.	Purchase of one Vehicle, 50% of the total cost	20,375.00
5/10/10	4155	Beever Communication, Inc.	Purchase of assorted Computers and APC Back-ups	33,430.00
3/12/10	4273	Cape Logistics & Equipment, Inc.	Purchase of two Vehicle, 50% of the total cost	33,870.00
22/3/11	4615	Cape Logistics & Equipment, Inc.	Purchase of two Vehicles, final payment	33,870.00
29/12/11	4908	Cape Logistics & Equipment, Inc.	Purchase of three Vehicles, 50% of the total cost	74,600.00
G. Total				216,520.00

137. In addition to the procurement of goods and services, it was revealed that the LTA Management did not adhere to the provisions of the PPC Act in the procurement of contracts for services awarded to PRO-SIN Professional Services Inc. in the amount of US\$53,705.40 for the purpose of conducting a nationwide ICT Market Research Survey. Examination of documents also revealed that the service contract was not published in procurement bulletin, gazette and newspaper of wide national circulation.

138. Section 37, PPC Act of 2005 states that, Procuring Entity shall promptly publish in the procurement bulletin, gazette and any newspaper of wide national circulation notice of each contract award in which the price of the contract exceeds the threshold of US\$ 10,000.00, in the case of contracts for the procurement of services. This is also promulgated by Section 37 of the 2010 amended version of the PPC Act which indicates that procuring entities shall give prompt notice of contract awards to the commission for publication when the contract price of the procurement exceeds US\$10,000.00, in the case of contract for the procurement of services.

### **Risk**

139. As one of the objectives of the PPC Act, 2005 is to maximize economy and efficiency in procurement, and obtain best value for public expenditures. Non-compliance with the PPC Act, 2005 provisions in the award of contract for the procurement of goods and services denies assurance that best value was derived from payment made for contracts awarded and capital goods purchased. Poor procurement practices could provide

opportunities for the procuring entity to engage in conflict of interest, thus leading to misuse of public resources.

### **Recommendation**

140. The LTA Management should ensure, henceforth, due compliance with provisions of the PPC Act in all its procurement activities.

### **Management's Response**

141. *Relative to no Bid Evaluation Report, Bid Documents, LTA Management disagrees. During the course of the audit, there was no request made by the team of auditors for the provision of the concerned documents relating to the acquisition of the capital goods mentioned in the AOM. Before these capital goods were purchased, all proceedings as per the relevant provisions of the PPC Law were valuation adhered to. Please find copies of Bids tendered Bids Evaluation Reports and Sources of requesting tenders.*
142. *Relative to the publication of the award of contracts, LTA Management agrees. This was an oversight. History of our contracts awards indicated that LTA normally adheres to provisions of the PPC Law. Henceforth, the LTA Management will publish annually, the requisite information regarding awards of contracts.*

### **Auditor General's Position**

143. On July 9, 2012 I requested from the LTA's Internal Auditor through the office of Madam Angelique Weeks, checklist of documents that included payment vouchers and all contracts agreement for audit verification for the period under audit. In keeping with best financial practice, copy of bid documentation should be attached to payment vouchers on which the expenditure was authorized for audit purpose and easy identification. I therefore modify my observation as regards bid documentation since it was finally submitted on March 7, 2013.

## **1.10 LTA's Outstanding Receivables**

### **Observation**

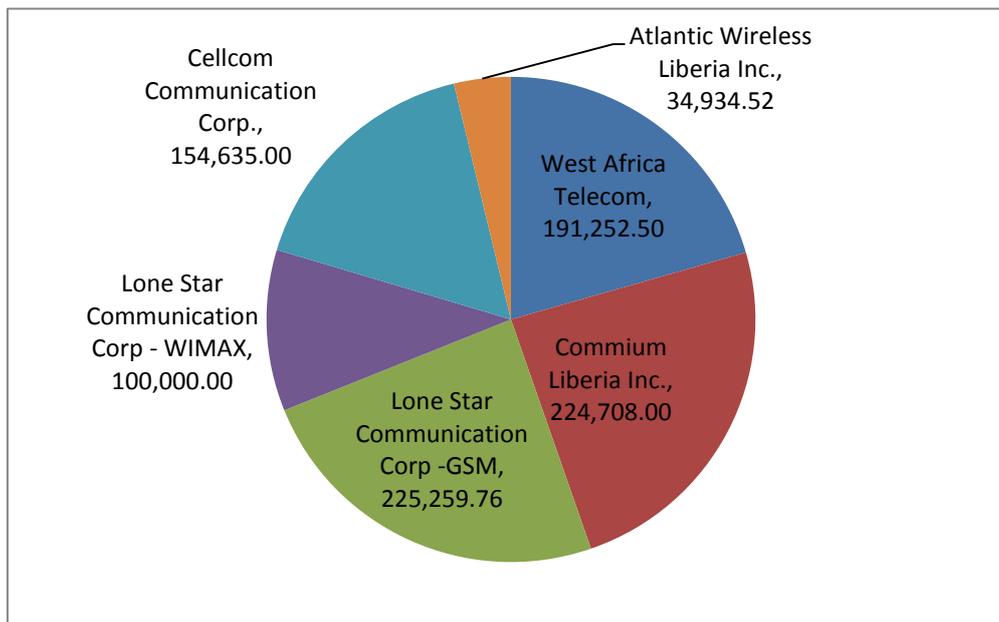
144. As part of the audit procedures, I requested the account receivable records from the management of the LTA to verify whether the amount reported on LTA's Management books were fairly stated and were the rights or claims of LTA. My analysis on the receivable records revealed that five (5) telecommunications companies owed the LTA US\$930,789.78 which was outstanding after the end of the audit period, as at December 31, 2011.
145. In addition, I requested confirmations from five (5) Telecommunications Companies about the amount they owed the LTA. Of the five companies, confirmation letters were received from four Telecommunication companies which indicated that the amounts of US\$895,595.26 receivables were outstanding as at December 31, 2011. According to LTA Books, the amount of US\$34,934.52 was outstanding in the name of Atlantic

Wireless Liberia Inc. this brought LTA's receivables to US\$930,789.78 at the close of 31 December 2011 as indicated in table 7 and Par chart 3 below :

**Table 7: LTA outstanding receivables as at December 31, 2011**

#	Date	GSM Companies	Type of fees	Amount outstanding as per LTA Book December 31,2011 (US\$)	Amount outstanding as per third-party-confirmation for December 31, 2011 (US\$)	Variance
1.	Dec-31, 2011	West Africa Telecom	Spectrum & regulatory fees	191,252.50	191,252.50	-0-
2.	Dec-31, 2011	Comium Liberia Inc.	Spectrum fees	224,708.00	224,708.00	-0-
.3.	Dec-31, 2011	Lone Star Communication Corp -GSM	Penalty for violation	225,259.76	225,259.76	-0-
4.	Dec-31, 2011	Lone Star Communication Corp - WIMAX	Spectrum fees	100,000.00	100,000.00	-0-
5.	Dec-31, 2011	Cellcom Communication Corp.	Spectrum fees	154,635.00	154,375.00	260.00
6.	Dec-31, 2011	Atlantic Wireless Liberia Inc.	Spectrum & regulatory fees	34,934.52	Atlantic Wireless failed to confirm	34,934.52
		Total		930,789.78	895,595.26	35,194.52

**Par chart 3: Balances outstanding as of December 31, 2011**



### **Risk**

146. Failure on the part of the LTA Management to collect LTA's receivables timely could result in the debts becoming bad debts. The delay in realizing the debts could also impact LTA's liquidity, rendering its operations not effective. Ultimately, GOL would be denied its needed revenue for development.

### **Recommendation**

147. The Management of LTA should ensure that the amount of US\$930,789.78 outstanding receivables are fully collected from the above telecommunications companies and deposited in the account of the LTA and copies of the deposit slip, including invoices be provided to the GAC for review.

### **Management's Response**

148. *According to the Comptroller, these receivable balances have since been collected from the customers or service providers. This misinformation in your DML resulted from responses provided to you by the service providers.*

### **Auditor General's Position**

149. External confirmation is the process of obtaining and evaluating audit evidence through a direct communication from a third party in response to a request for information about a particular item affecting assertions made by management. Management provided no evidence to support its assertion that the receivables were collected by the comptroller.

150. According to ISSAI 1500, the reliability of audit evidence is influenced by its source and nature. It indicates that, in general, written (documentary) audit evidence is more reliable than audit evidence in oral form.

## 1.11 Status of Prior Years Audit Matters

151. Recommendations conveyed in prior years audit report are yet to be implemented by the LTA Management as indicated in Table 8 below:

**Table-8: Prior-year Matters not implemented**

No	Source of the finding, (Management letter & audit report:	Particulars of Paragraph	Recommendations
1.	Non-Existence of Fixed Asset Register (Internal Controls)	Paragraph 86; pg. 20	D.LTA should maintain a proper record of fixed assets, a fixed assets register should be made available to GAC for verification and donated assets should be accounted for in the fixed assets register.
2.	Unrealistic Budget Provisions without Executive Approval	Paragraph 98; pg. 21	E.LTA should compile the entity's annual budget in a transparent and accountable manner for succeeding financial years and that the budget be approved by the president.
3.	Poor Accounting Practices (Financial Matters) no approved manual	Paragraph 118,119,121,123,125; pg. 24-25	F.BOC should ensure early formulation and completion of a manual for accounting and related financial and administrative procedures for adoption.
4.	Irregularities Noted with LTA's Procurement	Paragraph 171,174,178, 180, 183; pg. 30-34	I.LTA management should carry out assessment and adhere to the PPC Act, 2005 in all its future procurement to ensure that value for money decisions are made, and that LTA procurement Unit in consultation with management should develop policies, procedures and guidelines to ensure that procurement and contracting activities are carried out in accordance with the government policies, regulations and legislation.
5.	Irregularities Noted with Foreign Travels	Paragraph 308,309,313,315,317,319; pg. 51-54	N. Chairman & Board of Commissioners should ensure straight compliance with the guidelines and procedures on per-diem allowances specified in the Executive Ordinance Issued by GOL.

No	Source of the finding, (Management letter & audit report:	Particulars of Paragraph	Recommendations
			<p>O. Official and staff of LTA who undertook foreign travels and did not submit related travels documents should be made to retribute as indicated in the report.</p> <p>Commissioners should make full restitution for the excess payment made to them and other staff of LTA in the amount of US\$43,744.</p>

### 1.12 Statement of Accountability

152. Both financial and administrative activities undertaken by the Management of LTA during the period under audit were marked by financial irregularities and control weaknesses. The financial irregularities noted amounted to US\$1,259,980.68 and included, among others, irregularities involving payment made from LTA Account's without budget and approved budget. Other irregularities included overpayment of per-diem for foreign travels, failure to retire foreign travels documents for incidental allowance, staff awarded salary before the effective date of their employment and outstanding checks for more than six months. Please refer to accountability schedule for the details of the amount to be accounted for.

### 1.13 Acknowledgement

153. I acknowledge the cooperation and assistance provided to the GAC Audit Team by the LTA Board of Commissioners, Management and staff during the period of the audit. The efforts and commitment of GAC staff in conducting this audit are also gratefully acknowledged.



**Winsley S. Nanka, CPA, CFE**  
**Acting Auditor General**

**August 2013**

**Schedule- 1a: Overpayment of Per-diem allowances to LTA Employees and Officials for 2009**

#	Name I	Travel Destination	Voucher #	NO. of days	LTA Rate per day-US\$	Approved Rate as per Travel Ordinance	AMT. provided for per diem per travel-US\$	AMT. should have been paid as per Travel Ordinance -US\$	Variance
1	Abdullah Kamara L.	Accra, Ghana	3018	4	500.00	385.00	2,000.00	1,540.00	460.00
2	Angelique Weeks E.	Beirut, Lebanon	2900	10	500.00	406.25	5,000.00	4,062.50	937.50
3	Harry T. Yuan, Sr.	Accra, Ghana	3017	4	500.00	385.00	2,000.00	1,540.00	460.00
4	Henry W. Benson	Fremont, California	3243	7	500.00	327.50	3,500.00	2,292.50	1,207.50
	<b>TOTAL</b>				<b>2,000</b>	<b>1,503.75</b>	<b>12,500</b>	<b>9,435</b>	<b>3,065</b>

**Schedule- 1b: Over-Payment of Per Diem Allowances to LTA Employees and officials for 2010**

#	Name of Ind.	Travel Destination	Voucher #	NO. of days	LTA Rate per US\$ day-	Approved Rate as per Travel Ordinance	AMT. provided for per diem per travel-US\$	AMT. should have been paid as per Travel Ordinance - US\$	Variance
1	Angelique E. Weeks	DaKar, Senegal	3471	7	500.00	363.75	3,500.00	2,546.25	953.75
2	Henry W. Benson	California, United States of America	3497	9	500.00	327.50	4,500.00	2,947.50	1,552.50
3	Angelique E. Weeks	Benin	3676	6	500.00	326.25	3,000.00	1,957.50	1,042.50
4	Wiefueh A. Sayeh	Benin	3665	6	400.00	261.00	2,400.00	1,566.00	834.00
5	Lamine A. Warrity	Benin	3664	6	500.00	326.25	3,000.00	1,957.50	1,042.50
6	Emmanuel Payegar	Accra, Ghana	3651/3633	4	400.00	308.00	1,600.00	1,232.00	368.00
7	Henry W. Benson	Accra, Ghana	3636/3650	4	500.00	385.00	2,000.00	1,540.00	460.00
8	Lamine A. Warrity	Accra, Ghana	3606	8	500.00	385.00	4,000.00	3,080.00	920.00
9	Othello Coleman	Ouagadougou, Burkina Faso	3776	7	400.00	225.00	2,800.00	1,575.00	1,225.00
10	Wiefueh A Sayeh	Ouagadougou Burkina Faso	3777	7	400.00	225.00	2,800.00	1,575.00	1,225.00
11	Angelique E. Weeks	Washington D.C., United States of America	3803	25	500.00	453.75	12,500.00	11,343.75	1,156.25
12	Abdullah L. Kamara	Bath, United Kingdom	3816	17	500.00	401.25	8,500.00	6,821.25	1,678.75
13	Henry W. Benson	Banjul, Gambia	3829	9	500.00	280.00	4,500.00	2,520.00	1,980.00

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for the Financial years 2009, 2010 & 2011*

#	Name of Ind.	Travel Destination	Voucher #	NO. of days	LTA Rate per day-US\$	Approved Rate as per Travel Ordinance	AMT. provided for per diem per travel-US\$	AMT. should have been paid as per Travel Ordinance - US\$	Variance
14	Henry W. Benson	Kigali, Rwanda	3952	8	500.00	332.50	4,000.00	2,660.00	1,340.00
15	Lamine A. Warritay	Guadalajara, Mexico	4145	23	500.00	386.25	11,500.00	8,883.75	2,616.25
16	Harry T. Yuan, Sr.	Washington D.C., United States of America	3547	12	500.00	453.75	6,000.00	5,445.00	555.00
17	Harry T. Yuan Sr.	Dakar, Senegal	4229	7	500.00	363.75	3,500.00	2,546.25	953.75
18	Kolubalizizi Howard	Dakar, Senegal	4228	7	400.00	291.00	2,800.00	2,037.00	763.00
19	Henry W. Benson	United Kingdom	4233	15	500.00	401.25	7,500.00	6,018.75	1,481.25
20	Henry W. Benson	Accra, Ghana	4238	3	500.00	385.00	1,500.00	1,155.00	345.00
21	Lamine A. Warritay	Kenama, Sierra Leone	3502	8	500.00	252.50	4,000.00	2,020.00	1,980.00
22	Anthony Selmah	Kenama, Sierra Leone	3503	8	400.00	202.00	3,200.00	1,616.00	1,584.00
23	Chris Harris Williams	Kenama, Sierra Leone	3503	8	300.00	202.00	2,400.00	1,616.00	784.00
24	Henry W. Benson	Sydney, Australia	4259	9	500.00	401.25	4,500.00	3,611.25	888.75
	<b>TOTAL</b>				<b>11,200.00</b>	<b>7,939.00</b>	<b>106,000.00</b>	<b>78,270.75</b>	<b>27,729.25</b>

**Schedule 1-c: Over-Payment of Per Diem Allowances to LTA Employees and officials for 2011**

#	Name of Ind.	Travel Destination	Voucher #	NO. of days	LTA Rate per day-US\$	Approved Rate as per Travel Ordinance	AMT. provided for per diem per travel-US\$	AMT. should have been paid as per Travel Ordinance -US\$	Variance
1	Angelique E. Weeks	Shenzhen, P.R. China	4460	7	500.00	280.00	3,500.00	1,960.00	1,540.00
2	Lamine A. Warrity	Shenzhen, P.R. China	4463	7	500.00	280.00	3,500.00	1,960.00	1,540.00
3	Harry T. Yuan, Sr.	Shenzhen, P.R. China	4464	7	500.00	280.00	3,500.00	1,960.00	1,540.00
4	Emmanuel Payegar	Shenzhen, P.R. China	4465	7	400.00	224.00	2,800.00	1,568.00	1,232.00
5	Kwatama Bettie	Shenzhen, P.R. China	4466	7	300.00	224.00	2,100.00	1,568.00	532.00
6	Henry W. Benson	Shenzhen, P.R. China	4467	10	500.00	280.00	5,000.00	2,800.00	2,200.00
7	Angelique E. Weeks	Lisbon, Portugal	4648	8	500.00	390.00	4,000.00	3,120.00	880.00
8	Alexander K. Zlehwolo	Lagos, Nigeria	2558	7	300.00	265.00	2,100.00	1,855.00	245.00
9	Veneas F. Kamara	Lagos, Nigeria	2560	14	300.00	265.00	4,200.00	3,710.00	490.00

#	Name of Ind.	Travel Destination	Voucher #	NO. of days	LTA Rate per day-US\$	Approved Rate as per Travel Ordinance	AMT. provided for per diem per travel-US\$	AMT. should have been paid as per Travel Ordinance -US\$	Variance
10	Christiana H. Williams	Lagos, Nigeria	2605	7	300.00	265.00	2,100.00	1,855.00	245.00
11	Isaac J. Yonly	Lagos, Nigeria	2610	7	400.00	265.00	2,800.00	1,855.00	945.00
12	Henry W. Benson	Accra, Ghana	2631	3	500.00	385.00	1,500.00	1,155.00	345.00
13	Harry T. Yuan, Sr.	Accra, Ghana	2633	3	500.00	385.00	1,500.00	1,155.00	345.00
14	Angelique E. Weeks	Accra, Ghana	2634	3	500.00	385.00	1,500.00	1,155.00	345.00
15	S. Othello Coleman	Lome, Togo	2654	9	300.00	274.00	2,700.00	2,466.00	234.00
16	Lucia W.W. Quetoh	Lome, Togo	2655	9	300.00	274.00	2,700.00	2,466.00	234.00
17	Leamoh Cooper	Lome, Togo	2656	9	300.00	274.00	2,700.00	2,466.00	234.00
18	Henry W. Benson	Louisville, Kentucky	2468	8	500.00	327.50	4,000.00	2,620.00	1,380.00
19	Kolubahzizi Howard	Abidjan, Cote D'Ivoire	2486	9	400.00	274.00	3,600.00	2,466.00	1,134.00

#	Name of Ind.	Travel Destination	Voucher #	NO. of days	LTA Rate per day-US\$	Approved Rate as per Travel Ordinance	AMT. provided for per diem per travel-US\$	AMT. should have been paid as per Travel Ordinance -US\$	Variance
20	Abdullah Kamara L.	Abidjan, Cote D'Ivoire	2492	5	500.00	342.50	2,500.00	1,712.50	787.50
21	J. Famatta K. Sirleaf	Accra, Ghana	2520	5	400.00	308.00	2,000.00	1,540.00	460.00
22	Emmanuel Payegar	Dakar, Senegal	2538	8	400.00	291.00	3,200.00	2,328.00	872.00
23	Lamine A. Warrity	Accra, Ghana	4880	2	500.00	385.00	1,000.00	770.00	230.00
	<b>TOTAL</b>				<b>9,600.00</b>	<b>6,923.00</b>	<b>64,500.00</b>	<b>46,510.50</b>	<b>17,989.50</b>

**Schedule- 2a: Failure of LTA Management to retire travels documents on Incidental Allowances received for Foreign Travels for-(2009)**

#	Name of Ind.	Travel Destination	Voucher #	# of Days	Incidental Allowance
1	Angelique E. Weeks	Paris, France	3174	7	500
3	Henry W. Benson	Geneva, Switzerland	3016	6	500
4	Angelique E. Weeks	Beirut, Lebanon	2900	10	500
5	Harry T. Yuan, Sr.	Accra, Ghana	3017	4	500
6	Henry W. Benson	Fremont, California	3243	7	500
7	Angelique E. Weeks	Geneva, Switzerland	2906/3021	15	1,000.00
	<b>TOTAL</b>				<b>3,500.00</b>

**Schedule-2b: Failure of LTA Management to retire travels documents on Incidental Allowances received for Foreign Travels for- (2010)**

#	Name of Ind.	Travel Destination	Voucher #	# of Days	Incidental Allowance
1	Angelique E. Weeks	Spain	3314	8	500
2	Abdullah Kamara	Spain	3438	6	500
3	Angelique E. Weeks	DaKar, Senegal	3471	7	500
4	Henry W. Benson	California, United States of America	3497	9	500
5	Angelique E. Weeks	Paris, France	3553	10	500
6	Angelique E. Weeks	Benin	3676	6	500
7	Lamine A. Warrity	Benin	3664	6	500
8	Alexander Zlehwolo	Accra, Ghana	3652/3637	4	300
9	Emmanuel Payegar	Accra, Ghana	3651/3633	4	400
10	Henry W. Benson	Accra, Ghana	3636/3650	4	1000
11	Angelique E. Weeks	Paris, France	3619/3731	13	500

#	Name of Ind.	Travel Destination	Voucher #	# of Days	Incidental Allowance
12	Lamine A. Warrity	Accra, Ghana	3606	8	500
13	Lamine A. Warrity	Hyderabad, India	3716	17	500
14	Wiefueh A Sayeh	Ouagadougou Burkina Faso	3777	7	500
15	Angelique E. Weeks	Washington D.C., United States of America	3803	25	500
16	Abdullah L. Kamara	Bath, United Kingdom	3816	17	500
17	Henry W. Benson	Banjul, Gambia	3829	9	500
18	Henry W. Benson	Kigali, Rwanda	3952	8	500
19	Lamine A. Warritay	Guadalajara, Mexico	4145	23	500
20	Harry T. Yuan, Sr.	Washington D.C., United States of America	3547	12	500
21	Harry T. Yuan Sr.	Dakar, Senegal	4229	7	500
22	Henry W. Benson	United Kingdom	4233	15	500
23	Henry W. Benson	Accra, Ghana	4238	3	500
24	Lamine A. Warritay	Kenama, Sierra Leone	3502	8	500
25	Abdullah L. Kamara	Geneva, Switzerland	3510	7	500
26	Henry W. Benson	Sydney, Australia	4259	9	500
27	Abdullah L. Kamara	London, United Kingdom	4355	8	500
28	Angelique E. Weeks	Paris, France	4416	8	500
	<b>TOTAL</b>				<b>14,200.00</b>

**Schedule-2c: Failure of LTA Management to retire travels documents on Incidental Allowances received for Foreign Travels for- (2011)**

#	Name of Ind.	Travel Destination	Voucher #	# of Days	Incidental Allowance
1	Angelique E. Weeks	Shenzhen, P.R. China	4460	7	500
2	Angelique E. Weeks	Barcelona, Spain	4517	8	500
3	Abdullah L. Kamara	Armsterdam, Netherland	4647	6	500
4	Angelique E. Weeks	Lisbon, Portugal	4648	8	500
5	T. Reagan Scott	Lagos, Nigeria	2317	8	500
6	Angelique E. Weeks	London, England	2330	10	500
7	Brenda B. Moore	Accra, Ghana	2392	7	500
8	Alexander K. Zlehwolo	Lagos, Nigeria	2558	7	500
9	Veneas F. Kamara	Lagos, Nigeria	2560	14	500
10	Abdullah L. Kamara	Rome, Italy	2597	9	500
11	Christiana H. Williams	Lagos, Nigeria	2605	7	500
12	Isaac J. Yonly	Lagos, Nigeria	2610	7	500
13	Angelique E. Weeks	Accra, Ghana	2634	3	500
14	S. Othello Coleman	Lome, Togo	2654	9	500
15	Lucia W.W. Quetoh	Accra, Ghana	2699	4	500
16	Henry W. Benson	Louisville, Kentucky	2468	8	500

#	Name of Ind.	Travel Destination	Voucher #	# of Days	Incidental Allowance
17	Lucia W.W. Quetoh	United Kingdom	2481	8	500
18	Kwatama Q Bettie	Accra, Ghana	2482	4	500
19	Abdullah L. Kamara	Abidjan, Cote D'Ivoire	2492	5	500
20	Wiefueh Sayeh	Abidjan, Cote D'Ivoire	2493	9	500
21	Angelique E. Weeks	Paris, France	2494	8	500
22	Jeddi M. Armah	United Kingdom	2507	10	500
23	J. Famatta K. Sirleaf	Accra, Ghana	2520	5	500
24	Abdullah L. Kamara	Dubai, UAE	4875	7	500
	<b>TOTAL</b>				<b>12,000.00</b>

### Schedule -3: Accountability sheet

#	Observation	Paragraph Page #	Amount to be accounted for (US\$)	Responsible Parties
1	Over payment of perdiem for foreign travel	Paragraph -51-60	48,783.75	Ref. Schedule 1a-1c
2	Failure to retire foreign travel documents for incidental allowance received	Paragraph -61-68	29,700.00	Ref. Schedule 2a-2c
3	Non-existence of approved budget & no budget to guide LTA's Operations	Paragraph -69-91	1,177,062.59	Mr. Albert N. Bropleh Mr. Lamini A. Warity Madam. Angelique E. Weeks

#	Observation	Paragraph Page #	Amount to be accounted for (US\$)	Responsible Parties
4	Outstanding checks for more than six months	Paragraph -122-127	2,232.50	LTA Board of Commissioners & Financial Comptroller(J. Famatta K. Sirleaf)
5	Deviation noted with payroll(staff awarded salary before the effective date of their employment	Paragraph -128-132	2,201.84	LTA Board of Commissioners & Financial Comptroller(Rufus Brown)
	<b>TOTAL</b>		<b>1,259,980.68</b>	