



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT



**Compliance Report on the
Environmental Protection
Agency (EPA)**

**For the Period July 1, 2015 to
June 30, 2016**

November 2017

**Yusador S. Gaye, CPA, CGMA
Auditor General, R.L.**

Table of Contents

1	DETAILED FINDINGS AND RECOMMENDATIONS	10
1.1	Governance Issues	10
1.1.1	Absence of Policy Councils	10
1.1.2	Non-functional Board of Directors	11
1.2	Management Issues	12
1.2.1	Salary Advances Paid Out of Non-project Funds	12
1.2.2	Bank Reconciliations	14
1.2.3	Daily Attendance Registry	15
1.2.4	Irregularities Noted with Awarding of Contracts to Consultants	15
1.2.5	Irregular Payments Noted with Entertainment	17
1.2.6	Repairs & Maintenance	17
1.2.7	Irregularity Noted with Payments for Fuel & Lubricant	18
1.2.8	Over-Payment of Per-diem for Foreign Travels	19
1.2.9	Unretired Incidental Allowances	21
1.2.10	Non-retirement of Travel Advances	22
1.2.11	Unretired Travel Advance	23
1.2.12	Bank Reconciliations	24
1.3	Financial Matters	25
1.3.1	Variance in Allotment per Financial Statement versus Allotment Received	25
1.3.2	Variance between General Leger and Bank Statement	26
1.3.3	Quarterly Reports	28
1.3.4	Irregularity Noted with EPA's Financial Statements	29
1.4	Operational Matters	30
1.4.1	Safeguarding Of Assets within EPA	30
1.4.2	Fixed Assets	30
1.5	Compliance Issue	31

1.5.1	Report on Procurement Processes.....	31
1.5.2	Electronic Bookkeeping System.....	32
1.6	Internal Control Activities	33
1.6.1	Internal Control with EPA's Projects	33
1.6.2	Risk Assessment Processes.....	34
1.6.3	Disaster Recovery Plan	35
1.7	IT Related Internal Controls	36
1.7.1	Audit Trail Not enabled in the system.....	36
1.7.2	IT Continuity plans	37
1.7.3	Environmental Control	37
1.7.4	IT's Security Policy	38
1.7.5	IT Strategic Committee.....	39
1.7.6	Lack of offsite back-up.....	40
1.7.7	Service Level Agreements	41
2	ACKNOWLEDGEMENT.....	43
	ANNEXURES.....	44

Acronyms/Abbreviations/Symbols

Acronyms/Abbreviations/Symbol	Meaning
A/C#	Account Number
AG	Auditor General
CBL	Central Bank of Liberia
CFE	Certified Fraud Examiner
CGMA	Chartered Global Management Accountant
COSO	Committee of Sponsoring Organizations
CPA	Certified Public Accountant
EPA	Environmental Protection Agency
ESIA	Environmental Social Impact Assessment
FY	Fiscal Year
GAC	General Auditing Commission
GJ	General Journal
GoL	Government of Liberia
GSA	General Service Agency
INTOSAI	International Organization of Supreme Audit Institutions
ISSAI	International Standards of Supreme Audit Institutions
L\$	Liberian Dollars
LBDI	Liberia Bank for Development & Investment
LBR	Liberia Business Registry
PFM Act	Public Finance Management Act
PPC Act	Public Procurement Concession Act
PPCC	Public Procurement and Concession Committee
RFQ	Request for Quotation
RL	Republic of Liberia
ToR	Terms of Reference
UNDP	United Nations Development Programme
UNEA	United Nations Environment Assembly
UNEP	United Nations Environment Programme
US\$	United States Dollar

AUDITOR GENERAL'S REPORT

Hon. Anyaa Vohiri
Executive Director
Environmental Protection Agency
Monrovia, Liberia

November 3, 2017

Dear Hon. Vohiri:

Compliance Report on the Environmental Protection Agency (EPA) for the Period July 1, 2015 to June 30, 2016.

We have audited the activities and financial transactions of the Environmental Protection Agency (EPA) in compliance with relevant laws and regulations of the Republic of Liberia for the year ended June 30, 2016 consistent with the Auditor General's mandate as provided for in Section 2.1.3 of the General Auditing Commission (GAC) Act of 2014 as well as the Audit Engagement Terms of Reference (ToR).

Management's Responsibility

Management is responsible for the preparation of financial records in accordance with the terms of the local agreement and stated laws and regulations.

This audit was conducted on the basis or understanding that the Management of the Environmental Protection Agency has the responsibility to establish and maintain internal controls necessary to:

- Enable it undertake its contracts award, goods delivery, projects execution, evaluation and reporting in an effective and efficient manner as well as the preparation of documentation on the procurement/projects that are free from material misstatements whether due to fraud or error and in compliance with authorities that govern them;
- Provide reasonable assurance that adopted policies and prescribed procedures are adhered to and errors and irregularities, including fraud and illegal acts are prevented or detected; and to provide us with access to the following;
- All information of which the Environmental Protection Agency is aware of and that is relevant to its contracts award, goods delivery, projects execution, evaluation and reporting as well as their related documentation;
- Any additional information that we may request from Management for the purposes of the review; and
- Unrestricted access to persons within the Agency from whom we determine it necessary to obtain review evidence.

Auditor's Responsibility

Our responsibility is to independently express a conclusion on the financial records of the Environmental Protection Agency based on our audit. Our audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs), Fundamental Auditing Principles (FAP) and Guidelines for Compliance Audit (GCA). Those principles require that we comply with ethical requirements and plan and perform the audit so as to obtain reasonable assurance as to whether the use of Environmental Protection Agency Funds are in compliance, in all material respects, with stated laws and regulations.

An audit involves performing procedures to obtain sufficient appropriate evidence to support our conclusion. The procedures performed depend on the auditor's professional judgment, including assessing the risk of material non-compliance, whether due to fraud or error. The audit procedures performed are those we believe are appropriate in the circumstances. We believe that the audit evidence gathered is sufficient and appropriate to provide the basis for our conclusion.

Basis for Adverse Conclusion

The payment schedules provided by Management show several payments to employees amounting to **L\$618,616.00 (six hundred eighteen thousand, six hundred sixteen Liberian dollars)**; these payments were made as salary advances in Fiscal Year 2015/16. Though, Management has failed to recover these salary advances through payroll deductions as salaries are paid directly by the Ministry of Finance and Development Planning (MFDP).

EPA's Management awarded contracts amounting to **US\$22,590.00 (twenty-two thousand five hundred ninety United States dollars)** for consultant's service without regard to the relevant provisions in the PPC Act for the period under audit. Documents provided and tested revealed that several consultants were hired without compliance with the provision in the PPCC Act of 2005 as amended and restated in 2010.

Variances amounted to **US\$70,057.09 and US\$32,644.80** was noted in what Management reported as internally generated revenues for the fiscal year 2015 to 2016.

Individuals who traveled failed to retire incidental advances in a total of **US\$14,140.00 (fourteen thousand one forty united states dollars)** for the period under audit.

Advances for foreign travels in the amount of **US\$28,664.25 (twenty eight thousand six hundred sixty-four and twenty five United States dollars)** were not adequately supported in compliance with the applicable regulations.

Sixty-seven (67) payment vouchers amounting to **US\$48,933.00 (forty eight thousand nine hundred thirty three united states dollars)** appear not to have been retired as the Travel Disbursement Forms to retire the travels were not attached.

Several grants and projects balances amounting to **US\$86,569.65 (eighty six thousand, five hundred sixty nine and sixty five United States dollars)** for the fiscal year under audit were

not captured in the Financial Statement as per the General Ledger's records.

Management reported in its June 30, 2015 closing cash balance of the financial statements the amount of US\$491,588.72. For general accounting reporting purposes this figure should represent the opening balance for the fiscal year 2015/2016. Instead management reported an amount of US\$246,310.82, thus creating an understatement in the amount of **US\$245,277.90 (two hundred forty five thousand, two hundred seventy seven and ninety United States dollars)** for fiscal year 2015/2016.

Adverse Conclusion

Based on the audit work performed, and because of the significance of the matters noted in the Basis for Adverse Conclusion paragraphs above, the activities and financial transactions of the Environmental Protection Agency are not compliance, in all material respects, with stated laws and regulations.


**Yusador S. Gaye CPA, CGMA
Auditor General, R.L.**

**Monrovia, Liberia
November, 2017**

BACKGROUND

Background of the Environmental Protection Agency Audit

The audit of the Environmental Protection Agency was commissioned by the auditor General for period July 1, 2015 to June 30, 2016.

A Brief History of EPA

The Environmental Protection Agency (EPA) was established by an Act of the Legislature of Liberia in November 26, 2002 and published April 30, 2003 to establish a monitoring, coordination and supervisory authority for the sustainable management of the environment in partnership with regulated Ministries and organizations and in a close and responsive relationship with the people of Liberia; and to provide high quality information and advice on the state of the environment and for matters connected therewith.

EPA is headed by an Executive Director who is assisted by a Deputy Executive Director. It is subdivided into five operational departments and one unit, each with distinct functional tasks and include the:

- Department of Administration
- Department of Finance
- Department of Inter-sectoral Coordination
- Department of Planning and Policy
- Department of Compliance and Enforcement
- Multilateral Environmental Agreements (MEAs) Unit

Management Personnel

The Environmental Protection Agency has the following personnel who handled the administrative and financial affairs of the agency for the period under audit.

Table 1: Key Personnel of EPA

No	Name	Position	Tenure
1	Hon. Annyaa Vohiri	Executive Director	2012 to Present
2	Hon. Stephen Neufville	Deputy Executive Director	2012 to 2015
3	Hon. Urias Goll	Deputy Executive Director	2016 to Present
4	Mrs. Byeh S. Nyannway	Comptroller	2012 to 2015
5	Mr. Fred J. Dehfer	Comptroller	2012 to Present
6	Mr. James Z. Aquoi	Project Accountant	2012 to Present

Audit Objectives

The main objective of the audit is to gather sufficient appropriate audit evidence to conclude whether the activities and financial information of the Environmental Protection Agency for the period July 1, 2015 to June 30, 2016 are in compliance, in all material respects with policies, procedures, applicable laws, regulations, and are free of material errors.

Audit Methodology

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial information provided by the Management of the Environmental Protection Agency is in compliance, in all material respects with policies, procedures, applicable laws, regulations, and are free of material errors. In furtherance of this, we undertook audit procedures as would enable us to attain the above objective.

Our audit also took cognizance of the requirements under the Auditor General's mandate as provided for under Section 2.1.3 of the GAC Act of 2014 as well as the Audit Engagement Terms of Reference (TOR). Our audit approach included observation, inquiries, inspections, re-performance, confirmation, and analytical procedures on areas we considered as high risk.

While the audit was not directed at reporting the following, we have reported on the below issues which came to our attention during the course of the audit:

- Non-effective performance of the program - relates to Management's responsibility to undertake activities in a non-effective and non-efficient manner.
- Non-delivery of goods and services – relates to Management's non-exercise of responsibility to ensure that all goods and services procured are delivered.
- Instances of non-compliance with applicable laws and regulations - relates to Management's non-exercise of responsibility to use resources, and fulfill accountability requirements, in accordance with applicable agreements, laws and regulations governing contracts award, goods and service delivery, projects execution, evaluation and reporting.
- Waste – relates to Management's non-exercise of responsibility to obtain and apply resources in an economical manner, without any public money being wasted.
- Instances of abuse - relates to Management's non-exercise of responsibility to meet the expectations of the National Legislature and the public as they relate to appropriate standards of behavior.

Limitation of Responsibility

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

1 DETAILED FINDINGS AND RECOMMENDATIONS

1.1 Governance Issues

1.1.1 Absence of Policy Councils

Observation

1.1.1.1 Section 7 paragraphs (1) & (2) of the Act creating the Environmental Protection Agency (EPA) states that: (1) there shall be a body called the National Environmental Policy Council of Liberia, which shall be the ultimate policy making body on the environment in this Act referred to as the "Policy Council" or "Council". (2) The policy council shall consist of the members appointed by the President from Line Ministries and members representative of their respective authorities and organizations as specified in Annex 1 of this Act.

1.1.1.2 Section 8.1 (a-f) of the Act also states that: (a) The Policy Council shall be responsible for policy formations and directions for the purpose of this Act; (b) state priorities for national goals and objectives for the protection of the environment (c) promote co-operation among Line Ministries, Local authorities, the private sector, non-governmental organizations engaged in environmental protection programs and the public (d) approved the audited report and accounts of the Agency as provided for under Section (48) of this Act (e) from time to time, give directions to the Board on matters of policy and Board shall comply with those directions; and (f) perform any other functions that may be assigned under this Act.

1.1.1.3 We noticed that the Agency had no documents, including minutes of meetings, indicating the Council's involvement in the governing of its activities and operations during the periods under audit. In the absence of the Policy Council's documented and approved policy, Management has been left to govern its own activities. For example, without Council approval Management has instituted a Fee Regulation (ESIA Fees Regime) for permits/licenses to customers which per the Act is the responsibility of the Council.

Risk

1.1.1.4 In the absence of the Policy Council's involvement in governance at the EPA the Entity's policy decisions are taken by the Executives who should only be implementing approved policy decisions.

Recommendation

1.1.1.5 Management should provide explanation on why they cannot provide the minutes of the Council's meetings if they exist.

Management's Response

- 1.1.1.6 *The law has established statutory membership for the council. EPA has called two council meetings over the last 5 years. Most of the called meetings are not fully attended by the policy council members. EPA will continue to improve on this lapse. Minutes of the last policy council meeting in 2016 is attached.*

Auditor General's Position

- 1.1.1.7 The attachment referenced was not received. Management's assertion is therefore not backed by any documentary evidence; we therefore maintain our finding and recommendation; therefore, the management of EPA should be held accountable for violation of the EPA Act of 2003.

1.1.2 Non-functional Board of Directors

Observation

- 1.1.2.1 Section 12 paragraph (1) of the EPA Act 2003 states that there shall be a body called the Board of Directors of the Agency which shall be the supervisory body of the Agency in this Act referred to as the "Board".
- 1.1.2.2 Section 13 (paragraphs 1-3 & 7) of the Act also states that (1) the Board shall be to oversee the implementation and successful operation of environmental policy and functions of the agency; (2) To interpret policies, review and approve the Agency's strategic plans for implementation of the policies; and (3) To provide guidance to the Executive Director and the Staff of the Agency. (7) To establish and approve rules and procedures for the appointment, discipline, termination and terms and condition of service of staff, administrative matters and financial matters
- 1.1.2.3 During the conduct of the audit, it was observed from documentation disclosed that as essential as the functions of the Board of Directors as described above, the Board of Directors appears to be non-functional. As a result, the EPA's Management in most instances executed its operations without oversight. In the absence of the Board of Directors, the following lapses were observed:
- The appointments, removal of Senior Managers and the determination of their remuneration packages were not done independently. Executives undertook these functions;
 - The unsupervised Management made several payments of salary advances totaling L\$475,520.00 to employees without regard to approved policy guidelines;
 - Financial rules, regulations and other related policies for the efficient guidance of the Entity's activities such as Fees Regime and Non-refundable fees were not present; and

- Moreover, the requirement of the PFM Act mandating the transfer to the Ministry of Finance and Development Planning (MFDP) of all year-end cash balances was not complied with.

Risk

- 1.1.2.4 In the absence of a functioning Board of Directors, Management lack oversight and this situation undermines accountability.

Recommendation

- 1.1.2.5 The Management should provide justification for not having a functional board.
- 1.1.2.6 The Management of EPA should adhere to the current Act of 2003 establishing the Environmental Protection Agency especially section 12 (1) & 13 (1-3 & 7) and the PFM Act's requirement for transfer of year-end cash balances to the MFDP.

Management's Response

- 1.1.2.7 *The EPA has requested several board meetings from the chairman but due to his engaged schedule, most times, the meetings are canceled. There were 2 board meetings conducted in 2016 but none has been conducted in 2017. Improvement will be worked on through the office of the chairman who is the Minister of Finance and Development Planning. See attached minutes of the last two board meetings.*

Auditor General's Position

- 1.1.2.8 The referenced attachment was not received. Management's assertion is therefore not backed by any documentary evidence; we maintain our finding and recommendation; thus, the management of EPA should be held accountable for violation of the EPA Act of 2003.

1.2 Management Issues

1.2.1 Salary Advances Paid Out of Non-project Funds

Observation

- 1.2.1.1 The Human Resource Policy, Section 4.0 (sub-section 4.2(c)) of the Environmental Protection Agency states that: "As required by law where applicable, the below deduction shall be made from each employee's monthly salary". Sub-section 4.2(c) includes liabilities due to the EPA like salary advances.
- 1.2.1.2 During the conduct of the audit, it was observed that the payment schedules provided by Management showed several payments to employees amounting to **L\$618,616.00 (six hundred eighteen thousand, six hundred sixteen Liberian dollars)**, which were made as salary advances in FY 2015/16.

- 1.2.1.3 Management has failed to recover these salary advances through payroll deductions as salaries are paid directly by the Ministry of Finance and Development Planning (MFDP).
- 1.2.1.4 The Management appears to have put in place controls to recoup all such liabilities due the Entity by employees of EPA; however, there are still amounts outstanding that might not be recouped due to resignations, deaths and terminations. **See Tables 2 below for details.**

Table 2: Salary Advances Paid Out of Non-project Funds

NO.	DATE	NAME	SALARY ADVANCE (L\$)
1	Aug. 18, 2015	Johansen T. Voker	47,400.00
2	Oct. 2015	Levi Pieh	75,200.00
3	Nov. 16, 2015	Thompson Danfelee	6000.00
4	Nov. 20, 2015	Anyaa Vohiri	98,604.00
5	Dec. 22, 2015	Henry O. William	34,000.00
6	Jan. 28, 2016	Jeremiah Sokou	254,800.00
7	Jan. 5, 2016	Success A.B. Dennis	39,412.00
8	May 2016	Leona Pappoe	63,200.00
TOTAL			618,616.00

Risk

- 1.2.1.5 Paying salary advances to employees in the absence of policy document and control over payroll could lead to waste and abuse of public resources.

Recommendation

- 1.2.1.6 The Management of the EPA should demonstrate how they plan to recoup the outstanding amount.
- 1.2.1.7 The Management of EPA should discontinue the use of public funds to pay salary advances without the ability to collect.

Management's Response

- 1.2.1.8 *It is correct that outstanding amount for salary advance cannot be recouped. However, death and resignations are inevitable and management has put in place a new policy to avert these mishaps. Under the new policy, employees are eligible for only 33.3 percent of 3 months' salary (not allowance). Repayment is spread over 3 months from the date of approval of the salary advance. This new system worked effectively in 2016-2017 and we intend to continue applying it.*

Auditor General's Position

- 1.2.1.9 We acknowledge Management's acceptance of our finding and recommendation. The EPA Management should adhere to its Human Resource Policy, especially Section 4.0 (sub-section 4.2(c)). Therefore, the EPA's Management should be held accountable for the breach of its Human Resource Policy. We therefore maintain our finding and

recommendation.

1.2.2 Bank Reconciliations

Observation

1.2.2.1 Regulation R.3(6), PFM Regulations, stipulates that "the balance of every bank account as shown in a bank statement shall be reconciled with the corresponding cashbook balance at least once every month; and the reconciliation statement shall be filed or recorded in the cash book or the reference to the date and number thereof".

1.2.2.2 During the audit, it was observed from review of the general ledgers and bank statements that EPA maintained four (4) bank accounts with three (3) banks.

1.2.2.3 For the fiscal year 2015-2016 eleven (11) bank reconciliation statements for an account at LBID were received and reviewed. Though requested, the remaining thirty-seven (37) reconciliations comprising the twelfth statement for the LBDI account and all thirty-six (36) reconciliations for the other four bank accounts were not provided. We do not have assurance that all of EPA's bank accounts were fully reconciled to their respective cash ledgers on a monthly basis.

Risk

1.2.2.4 Failure to perform the monthly bank reconciliation could impede the timely detection of error, omission and possible fraud.

Recommendation

1.2.2.5 The Management of EPA should provide explanation as to why monthly bank reconciliation was partially performed on one of its banks accounts and none on three of its bank accounts.

Management's Response

1.2.2.6 *We acknowledge your observation: The Environmental Protection Agency has three accounts for the year under audit. LBDI USD, ECO Bank USD and ECO LRD. While it is correct that during the audit period, bank accounts were not reconciled, this has changed. All bank accounts are reconciled monthly.*

Auditor General's Position

1.2.2.7 We acknowledge Management's acceptance of our finding. However, we will make a follow-up on the implementation to ascertain that bank accounts are being reconciled to the entity's ledger on a monthly basis during the subsequent audit. However, the Management is in breach of financial discipline per Regulation A.20 of the PFM Act of 2009.

1.2.3 Daily Attendance Registry

Observation

1.2.3.1 Section (30.0) of the Human Resource Policy Manual of the Environmental Protection Agency (EPA) states that all employees except the Executive Director, Deputy Executive Director, Manager, Assistant Managers of Departments are required to sign in the daily attendance registry at the front desk indicating time in and time out. Other than verifying who comes to work, this record also tends to show the number of regular employees on Environmental Protection Agency payroll.

1.2.3.2 During the conduct of the audit, it was observed that the Management of EPA did not regularly monitor and review staff attendance log.

1.2.3.3 It was further observed that in many instances staffers were signing in but not signing out; as a result it could not be ascertained whether employees were putting in the required daily work hours. **(See Annexure 1: Daily Attendance Registry for details)**

Risk

1.2.3.4 Failure to monitor and supervise personnel attendance records may result to compensation being paid to undeserving employees.

Recommendation

1.2.3.5 The Management of EPA should ensure that personnel records are regularly reviewed to keep track of staff attendance.

Management's Response

1.2.3.6 *We acknowledge your observation. However, a biometric monitoring system is being put into place for the entity. This will ensure automated monitoring of employees.*

Auditor General's Position

1.2.3.7 We acknowledge Management's acceptance of our finding. However, we will make a follow-up on the implementation of the audit recommendation during subsequent audit.

1.2.4 Irregularities Noted with Awarding of Contracts to Consultants

Observation

1.2.4.1 Section 68 paragraph (2) of the public procurement concession Act, 2005, as amended in 2010, requires that for the purposes of procuring the services of a consultant, the Procuring Entity shall prepare a shortlist of, generally, three (3) to six (6) consulting firms as determined by subsections (2) and (3) of this section and, to the greatest extent feasible, comprising consultants of the same category and similar capacity and business objectives.

- 1.2.4.2 Additionally, Section 65 of the PPC Act paragraph (1) states that the contract shall be awarded by the Procuring Entity to the bidder that is qualified and submitted the lowest evaluated responsive bid which meets the evaluation criteria as specified in the invitation to bid, request for quotation, request for proposal or the related bidding documents.
- 1.2.4.3 Furthermore, Section 53 of the PPC Act, paragraph (1) (c) states that: The request for quotations method may be used for the procurement of goods, works and services when the procurement is for services and the estimated contract price does not exceed the applicable Threshold.
- 1.2.4.4 During the conduct of the audit, it was observed that EPA's Management awarded contracts amounting to **US\$22,590.00 (twenty-two thousand five hundred ninety United States dollars)** for consultant's service without regard to the relevant provisions in the PPC Act for the period under audit. Documents provided and tested revealed that several consultants were hired without compliance with the provision in the PPCC Act of 2005 as amended and restated in 2010.

Risk

- 1.2.4.5 In the absence of contracts, TORs and documented selection process value for money cannot be assured.

Recommendation

- 1.2.4.6 The Management of EPA should provide substantive justification for awarding contracts without bids, contracts and TORs for consultant services.
- 1.2.4.7 The Management of EPA should ensure that the PPC Act, 2005, as amended and restated in 2010 is adhered to in the awarding of contracts.

Management's Response

- 1.2.4.8 *Previously in the sector, there were few local experts who could perform the services required under the project. It was a wrong act to select from a pool of consultants that have been accredited. However, this process has changed due to the massive transformation of human capacity within the sector under the current regime. Consultancies are now advertised.*

Auditor General's Position

- 1.2.4.9 We acknowledge Management's acceptance of our finding and recommendation. We must point out that the EPA Management's explanation is not justification for not adhering to the PPCC Regulations. The intent of the Amended and Restated Public Procurement and Concessions Act of 2010 regarding procurement of services is to achieve value for money in procurement of goods and services with public resources. Therefore, we maintain our recommendation.

1.2.5 Irregular Payments Noted with Entertainment

Observation

1.2.5.1 Section 54 of the Amended and Restated PPC Act, 2010 states that, "Quotations shall be requested in writing from as many bidders as practicable, but from at least three (3) bidders. (2) The request shall contain a clear statement of the requirements of the Procuring Entity as to quality, quantity, terms and time of delivery, as well as any other special requirements."

1.2.5.2 It was observed during the conduct of the audit that Management made payments amounting to **US\$20,000.00 (twenty thousand United States dollars)** for entertainment and other purchases from 1 July 2015 to 30 June 2016, which violated the aforementioned section of the restated PPC Act, 2010.

Risk

1.2.5.3 Management's failure to ensure due compliance with the PPCC Act regarding procurement, may result in non-achievement of value for money.

Recommendation

1.2.5.4 The EPA's Management should provide convincing justification for not adhering to the Amended and Restated PPC Act of 2010, specifically section 41 (1-3).

1.2.5.5 Going forward, the EPA Management should adhere to the amended and restated PPC Act of 2010, specifically section 41 (1&3).

Management's Response

1.2.5.6 *Entertainment is made on a monthly basis for senior staff members. This includes 200 dollars per month for the ED and DED respectively and 350 for all managers. This 200 is far below the threshold of the PPC Act and most of the purchases are based on needs of the respective offices which normally is used for water, soda, snacks etc. The 20,000.00 was a total over the audit period and not a onetime purchase.*

Auditor General's Position

1.2.5.7 PPCC Regulation requires that the purchase of goods and services should be based on the procuring entity obtaining at least three quotations from qualify bidders. The intent of the Amended and Restated Public Procurement and Concessions Act of 2005 as amended in 2010 regarding procurement is to achieve value for money for procurement using public resources. Therefore, we maintain our finding and recommendation. Management is in breach of financial discipline per Regulation A.20 of the PFM Act of 2009.

1.2.6 Repairs & Maintenance

1.2.6.1 Section 54 of the Amended and Restated PPC Act, 2010 states that, "Quotations shall be requested in writing from as many bidders as practicable, but from at least three (3)

bidders. (2) The request shall contain a clear statement of the requirements of the Procuring Entity as to quality, quantity, terms and time of delivery, as well as any other special requirements."

- 1.2.6.2 During the conduct of the audit, it was observed from examining of payment vouchers that the Management of EPA procured items for repairs and maintenance in the amount of **US\$8,078.10 (eight thousand, seventy-eight and ten United States dollars)** without evidence of acquiring at least three quotations. **(See Annexure 2: Repairs & Maintenance for details)**

Risk

- 1.2.6.3 The failure to obtain at least three quotations could lead to non-achievement of value for money and violates the PPCC Act, 2005 as amended and restated in 2010.

Recommendation

- 1.2.6.4 The Management of EPA should provide the necessary supporting documents for the total of US\$8,078.00 expended without adherence to Section 54 of the PPCC Act.
- 1.2.6.5 Going forward, EPA's Management should ensure that three quotations are attached to payment vouchers in support of expenditures when the RFQ method is applicable.

Management's Response

- 1.2.6.6 *We recognize this deviation but the system has been corrected. All repairs are supported by solicited quotations.*

Auditor General's Position

- 1.2.6.7 We acknowledge acceptance of our finding and recommendation. The PPCC Regulation requires that the purchase of goods be based on the procuring entity obtaining at least three quotations from qualified bidders. The intent of the Amended and Restated Public Procurement and Concessions Act of 2005 as amended in 2010 regarding procurement is to achieve value for money in procurement using public resources. Management, however, should be held accountable for the amount noted and is in breach of financial discipline per Regulation A.20 of the PFM Act of 2009.
- 1.2.6.8 In reference the corrective measure put in place, we will follow-up in subsequent audit.

1.2.7 Irregularity Noted with Payments for Fuel & Lubricant

Observation

- 1.2.7.1 Section 65 paragraph (1) of the PPC Act, 2015 as amended in 2010 states that the contract shall be awarded by the Procuring Entity to the bidder that is qualified and submitted the lowest evaluated responsive bid which meets the evaluation criteria as specified in the invitation to bid, request for quotation, request for proposal or the related bidding documents.

1.2.7.2 Section 53 Paragraph (1) (a) of the PPC Act, 2015 states that: The request for quotations method may be used for the procurement of goods, works and services when the procurement is for readily available commercially standard goods, not specially manufactured to the particular specifications of the Procuring Entity and the estimated contract price does not exceed the applicable Threshold.

1.2.7.3 It was observed during the conduct of the audit that the Management of EPA made payments amounting to **US\$2,776.00 (two thousand, seven hundred, seventy-six United States Dollars)** for the procurement of fuel and lubricants without evidence of at least three quotations as required by Section 52 Paragraph (1) (a) of the PPC Act.

Risk

1.2.7.4 Non-adherence to the PPC Act could undermine the procurement process and value for money may not be achieved.

Recommendation

1.2.7.5 The EPA's Management should provide reasonable justification for their non-adherence to the Amended and Restated PPC Act of 2010, specifically Section 52 Paragraph (1) (a) of the PPC Act.

1.2.7.6 Going forward, the EPA Management should adhere to the amended and restated PPC Act of 2010, specifically Section 52 Paragraph (1) (a) of the PPC Act.

Management's Response

1.2.7.7 *We recognize this deviation but the system has been corrected. All repairs are supported by solicited quotations.*

Auditor General's Position

1.2.7.8 We acknowledge Management's acceptance of our finding and recommendation. However, Management assertion is not backed by any documentary evidence. Therefore, the EPA's Management should be held accountable for the violation of the Amended and Restated PPC Act of 2010, specifically Section 52 Paragraph (1) (a) of the PPC Act.

1.2.8 Over-Payment of Per-diem for Foreign Travels

Observation

1.2.8.1 For the fiscal year 2015/16 in accordance to the Executive Ordinance Count 21 lump sum amount of US\$350.00 to each individual on a delegation for the first 7 days and US\$25.00 for each additional day shall be paid as incidental allowance in such cases and Section 20 states that in the case where the external agency pays only the airfare, then the official shall be paid the full per-diem for the duration of his or her stay abroad.

- 1.2.8.2 In accordance with Count 22 of the Foreign Travel Ordinance, if the external agency bears the cost of board and lodging along with airfare, then the official shall be entitled to 25% of the permissible per-diem for pocket expenses; if only lodging is provided then 30% of the per-diem shall be provide for food and pocket expenses; if the external agency pays for only board (mainly food), then 85% of the per-diem shall be given for lodging and pocket expenses.
- 1.2.8.3 During the audit we observed that three employees of the Environmental Protection Agency were overpaid on foreign travel in the total amount of **US\$1,228.75** for the fiscal year 2015/16. **(See Table 3 below)**

Table 3: Over-Payment of Per-diem for Foreign Travels

No	PAYEE	VOUCHER#	DATE	VOUCHER AMOUNT (US\$)	GOL INCIDENTAL RATE (US\$)	VARIANCE (US\$)
1	Hawa W. Korvah	5291	3/17/2016	888.75	375.00	513.75
2	Urias Goll`	5308	5/12/2016	634.00	350.00	384.00
3	Anyaa Vohiri	5448	6/29/2016	806.00	475.00	331.00
TOTAL						1,228.75

Risk

- 1.2.8.4 Without proper review of travel request and claims, Foreign Travel costs could be inflicted and resources abused by EPA officials and employees.

Recommendation

- 1.2.8.5 EPA's Management should give reasons why Public Funds were disbursed in violation of the Executive Ordinance. As such, Management should be made to account for this amount.
- 1.2.8.6 EPA Management should ensure that officials undertaking foreign travel should always adhere to this section of the Travel Ordinance.
- 1.2.8.7 Further sponsored trips should be properly reviewed in reference to the host responsibilities prior to undertaking the trips.

Management's Response

- 1.2.8.8 *The Agency acknowledges your observation. However, the overpayment came about for table 5a because these employees were leaving for foreign training and needed to obtain visa and hotel bill in foreign country.*
- 1.2.8.9 *For table 5b are the executive of the agency. The variance came about at which time our executive were leaving for foreign mission and needed to stay in foreign country to obtain visa and paid hotel bill.*

Auditor General's Position

- 1.2.8.10 Management's assertion cannot be sustained as per diem rates are not determined by the choice of visa and hotel. The GoL per diem rates are established by country and city according to the Government of Liberia's Travel Ordinances. Management did not provide the source of the information to indicate that visa and hotel bills were set at the amount spent by EPA.
- 1.2.8.11 Generally, the Government of Liberia Travel Ordinance Counts 21 and 22 of 2015/2016 is clear on how per diem are paid when the trip is sponsored by external parties, not on the basis of obtaining visa and hotel bill as asserted by management. We therefore maintain our recommendation and management should be held responsible excess payments of travel per diem.

1.2.9 Unretired Incidental Allowances

Observation

- 1.2.9.1 According to Count 26 of the GOL Travel Ordinance of 2014/15 "Upon return from abroad, officials are required to submit to the Financial Regulations Unit of the Ministry of Planning and Development, a Travel Settlement Form as per Annexure II and a copy of certificate for workshops, seminars, etc., receipts for accommodation and incidental expenses within 14 days from the date of return from tour or before date of the next journey, whichever is earlier, In very exceptional cases where the second tour is performed immediately after return from the first tour, the second advance may be granted with the specific written approval of the official, explaining the reason thereof". It further says that incidental shall cover all expenses for entertainment, telephone, telegraph, internet and entertainment and must be supported by proper receipts except for gratuity not exceeding 20% of amount disbursed.
- 1.2.9.2 During the conduct of the audit, it was observed that individuals who traveled failed to retire incidental advances in a total of **US\$8,640.00 (eight thousand, six hundred and forty united states dollars)** for the period under audit (**See Annexure 3: Unretired Incidental Allowances**).

Risk

- 1.2.9.3 Failure to retire incidentals for foreign travels could lead to personal gains and waste or abuse of public resources.

Recommendation

- 1.2.9.4 Management should provide justification for the failure to retire incidentals for foreign Travels undertaken during the period.
- 1.2.9.5 EPA's Management should ensure that upon return from travel abroad, those making the trips should present receipts for incidental retirement to ensure accountability for public funds.

Management's Response

- 1.2.9.6 *Management acknowledges your observation. The word incidental allowance was misplaced. These employees were sponsor by external agency. Instead of pocket allowance/pocket change it was written as incidental. However, moving forward management has begun the rightful wording*

Auditor General's Position

- 1.2.9.7 Management's response does not address the finding. The assertion that the word incidental allowance was misplaced is unacceptable. This has become management's standard response. The issue is clearly not only about the misplacement of word, it is about documentation of financial transactions. Management did not provide documentation such as receipts to retire the incidental allowances advances. Management must accept that undocumented expenditure cannot stand as a charge to public resources, as in the absence of documentation it is impossible to determine whether funds were expended for the sole purpose of the Agency. We therefore maintain our recommendations.

1.2.10 Non-retirement of Travel Advances

Observation

- 1.2.10.1 According to Count 5 of the Travel Ordinance of 2013/14, a request for travel advance shall be accompanied by a voucher, Travel Request Form, at least three quotations from different travel agents, budget allotment from the department of budget, a copy of approval of the office of the president or by the head of the relevant institution and the original letter of invitation where applicable. A request for advance will be considered only if the Accounting Services Unit of the Ministry of Finance verifies that appropriation and allotment are available.

- 1.2.10.2 During the audit it was observed that advances for foreign travels in the amount of **US\$28,664.25 (twenty eight thousand six hundred sixty-four and twenty five United States dollars)** were not adequately supported in compliance with the applicable regulations. **(See Annexure 4: Non-retirement of Travel Advances)**

Risk

- 1.2.10.3 Lack of supporting documentation casts doubt on the authenticity of the transactions and could lead to the loss of public trust. Management may waste public resources in the wake of the lack of accountability.

Recommendation

- 1.2.10.4 Management should provide reasonable explanation for the causes of the unsupported travel advances at the EPA.
- 1.2.10.5 Travel advances should be adequately supported in compliance with Count 5 of the 2013/14 regulations.

Management's Response

- 1.2.10.6 *Observation acknowledged: The years under audit, our department had a fire outbreak which 2006-2014/2015 documents were destroyed. Please see communication and report to that effect. However, management had put in place mechanism for foreign travel retirement*

Auditor General's Position

- 1.2.10.7 We maintain our finding and recommendation as Management did not address the findings – Travel advances were not retired. The period under audit is fiscal year 2015/2016, and our understanding is that the fire occurred in 2012-13. However, it is the responsibility of EPA's Management to preserve its assets and the records of transactions by either backing up data or storing pertinent transaction records offsite to mitigate the risk of loss. Also, the EPA's Management exposed Government assets to risk by its failure to take steps that could have prevented damage to Government properties. The Management of EPA failed to secure Government properties and transaction records entrusted to it, therefore the management should be held accountable.

1.2.11 Unretired Travel Advance

Observation

- 1.2.11.1 In accordance with Count 27 of the 2013/14 Travel Ordinance, "Upon return from abroad, officials are required to submit to the Ministry of Finance a Travel Settlement Form as per Annexure II within 21 days from the days from the date of return from tour or before date of the next journey, whichever is earlier. In very exceptional cases where the second tour is performed immediately after return from the first tour, the second advance may be granted with the specific written approval of the Minister concerned, explaining the reason thereof.
- 1.2.11.2 In addition, Count 28 of the Travel Ordinance states that, "no future travel advance shall be paid to anyone who has failed to submit the prescribed Travel Disbursement Form, for any previous journey within 21 days. The entire travel advance will be recovered from those who failed to submit the Travel Settlement Form on return from their visit abroad, and those who subsequently leave the service of the Government, from any arrears due to them by the Government".
- 1.2.11.3 During the conduct of the audit it was observed that 67 payment vouchers amounting to **US\$48,933.00 (forty eight thousand, nine hundred thirty three United States dollars)** appeared not to have been retired as the Travel Disbursement Forms to retire the travels were not attached. **(See Annexure 5: Unretired Travel Advances).**

Risk

- 1.2.11.4 Failure to retire a travel casts doubt on the occurrence of the trip and could lead to misuse of funds and loss to the State.

Recommendation

- 1.2.11.5 Management should provide a reasonable explanation for not retiring the trips mentioned in **Annexure 5**.
- 1.2.11.6 Management should ensure that upon return from travels staff should retire trips within 21 days deadline.

Management's Response

- 1.2.11.7 *Management acknowledges your observation: However, transactions with the amount USD 350 are pocket change instead were written as incidental allowance, also payment made to Anyaa Vohiri were DSA not incidental allowance. The other were payment for local travel which was undertaken by Compliance & Enforcement Dept. Management has put in place to correct these mistakes allowing a staff from finance department and a staff from the internal audit unit to participate in the disbursement exercise.*

Auditor General's Position

- 1.2.11.8 The Government of Liberia travel ordinance states that, "no future travel advance shall be paid to anyone who has failed to submit the prescribed Travel Disbursement Form, for any previous journey within 21 days". It was not on the basis of the individuals undertaking the travel. Management assertion that the payment made to Anyaa Vohiri was DSA and not incidental allowance is not supported by any documentary evidence. Therefore, we maintain our finding and recommendation and Management should ensure that the trips are retired and the individual involved should be held accountable.

1.2.12 Bank Reconciliations

Observation

- 1.2.12.1 Regulation R.3(6), PFM Regulations, stipulates that "the balance of every bank account as shown in a bank statement shall be reconciled with the corresponding cashbook balance at least once every month; and the reconciliation statement shall be filed or recorded in the cash book or the reference to the date and number thereof".
- 1.2.12.2 During the audit, it was observed from the review of the general ledgers and bank statements that EPA maintained four (4) bank accounts with three (3) banks.
- 1.2.12.3 For the fiscal year 2015-16 eleven (11) bank reconciliation statements for an account at LBDI were received and reviewed. Though requested, the remaining thirty-seven (37) reconciliations comprising the twelfth statement for the LBDI account and all thirty-six (36) reconciliations for the other four bank accounts were not provided. We do not have assurance that all of EPA's bank accounts were fully reconciled to their respective cash ledgers on a monthly basis.

Risk

- 1.2.12.4 Failure to perform the monthly bank reconciliation could impede the timely detection of error and/or fraud in the cash in bank balances.

Recommendation

- 1.2.12.5 The Management of EPA should provide explanation as to whether they did not regularly reconcile all four accounts.

Management's Response

- 1.2.12.6 *We acknowledge your observation: The Environmental Protection Agency has three accounts for the year under audit. LBDI USD, ECO Bank USD and ECO LRD. While it is correct that during the audit period, bank accounts were not reconciled, this has changed. All bank accounts are reconciled monthly.*

Auditor General's Position

- 1.2.12.7 We acknowledge Management's acceptance of our finding. However, we will make a follow-up on the Management's assertion that all the bank accounts are being reconciled with the entity's ledger on a monthly during subsequent audit.

1.3 Financial Matters

1.3.1 Variance in Allotment per Financial Statement versus Allotment Received

Observation

- 1.3.1.1 Section 36 (1) of the PFM Act of 2009 states that "It is a general responsibility under this Act for all government officials handling public financial transactions to ensure that financial information is reported in a timely, comprehensive, accurate manner, in the manner prescribed in this Act, under its regulations, and in instructions issued by the Minister".

- 1.3.1.2 During the audit it was observed that the amounts reported by Management in its Financial Statements as actual allotments vary with allotments received as reported in the fiscal outturn reports. Below is the variance for the fiscal year ended 2016: **See Table 3 below,**

Table 3: Variance in Allotment per Financial Statement versus Allotment Received

Fiscal Year	Actual Allotment Reported Per Financial Statements US\$ (A)	Actual Allotments Received US\$ (B)	Variance US\$ (C= A-B)
2015-2016	1,642,535.00	1,704,194.00	61,659.00
Total			61,659.00

*Source: the approved national budget

Risk

- 1.3.1.3 The accuracy and completeness of the Financial Statements cannot be assured.

Recommendation

- 1.3.1.4 Management should provide explanation of the variance noted in the amount reported and amount shown in the fiscal outturn report of the National Budget.

Management's Response

- 1.3.1.5 *Observation is acknowledged: However, this occurs because of breakdown of the accounting software P.T. every year. At which time the consultant could not be reached. Again, management is putting in place a system and with new training to mitigate this situation.*

Auditor General's Position

- 1.3.1.6 We acknowledge Management's acceptance of our finding. Management's excuse that the variance occurred due to breakdown of the accounting software (Peachtree) and that the consultant could not be reached is not a material justification for contravening the PFM Act of 2009 and presenting incomplete reports. Management's proposed action plan does not affect the period under audit. As such, Management should be held accountable for the variance for the period under audit and is in breach of financial discipline per Regulation A.20 of the PFM Act of 2009.

1.3.2 Variance between General Leger and Bank Statement

Observation

- 1.3.2.1 Regulation A.3(1) of the PFM Regulation of 2009 states that "Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor-General, the Comptroller General, the relevant internal auditor or any officers authorized by them, by the Minister".
- 1.3.2.2 During the audit, upon analysis of internally generated revenues it was observed that variances were noted in what Management reported as internally generated revenues, what was shown as cash in a designated bank account for internally generated revenues and the general ledger. **See summary for fiscal year in table 4a & 4b below**

Table 4a: Variances in Internally Generated Revenue

Fiscal Year	Amount Per Financial Statement US\$ A	Amount per Bank Account US\$ B	Amount General Ledger US\$ C	Variance US\$ D=A-B	Variance US\$ E=A-C
2015-16	563,338.13	480,453.58	493,671.58	82,884.55	69,666.55
Total				82,884.55	69,666.55

1.3.2.3 Additionally, variances were noted in the total grant and project amounts shown in the financial reports when compared to the Bank Statements and the General Ledger. **See Table 4b below.**

Table 4b Grant/Projects/Contributions variances

Fiscal Year	Amount Per Financial Statement US\$ A	Amount per Bank Account US\$ B	Amount General Ledger US\$ C	Variations US\$ D=A-B	Variations US\$ E=A-C
2015-16	563,338.25	164,668.46	16,157.36	398,669.70	547,180.89
Total				398,669.70	547,180.89

1.3.2.4 In addition, it was also observed that several grants and projects balances were not captured in the Financial Statements per the General Ledger. **(See Table 4c below)**

Table 4c: Grant/Projects per fiscal year not captured

Fiscal Year	Total Project not Captured US\$
2015-16	86,569.65
Total	86,569.65

Risk

1.3.2.5 The financial statements as reported are not accurate, incomplete and cannot be relied upon.

Recommendation

1.3.2.6 The Management of EPA should provide a reasonable explanation on why these material project or grant amounts are not captured in their accounts.

1.3.2.7 The Management of EPA should ensure that the financial statements presented are accurate and complete to properly reflect the entity's activities.

Management's Response

1.3.2.8 *Management acknowledges your observation. This is because project accountant is located at the annex and not at the finance department. Data should have key in the system cannot be keyed in. Also, during this period, the EPA was not conducting bank reconciliation. These defects have been corrected.*

Auditor General's Position

- 1.3.2.9 It is the responsibility of EPA's Management to ensure that the financial statements are presented fairly in all material respects. Management's explanation that because the project accountant is not situated in the finance department to key data into the system is not a material justification for presenting an inaccurate and incomplete financial statements therefore, we maintain our finding and recommendation. However, Management is in breach of financial discipline per Regulation A.20 of the PFM Act of 2009.

1.3.3 Quarterly Reports

Observation

- 1.3.3.1 According to Regulation I.9 of the PFM Act of 2009 "There shall be prepared by each head of Government Agency and transmitted to the Auditor General, the Minister and the Comptroller General in respect of each quarter commencing from the fiscal year, the accounts covering all public funds under his/her control".
- 1.3.3.2 During the conduct of the audit, we observed that EPA did not prepare and submit quarterly financial reports to the requisite authorities for the fiscal year 2015/2016.

Risk

- 1.3.3.3 The failure to provide statutory reports to relevant authorities of Government constitutes a breach of law and regulation and may attract the appropriate level of sanctions from those authorities. The EPA as a regulatory body itself would not want to be named and shamed for failure to comply with the law.
- 1.3.3.4 The failure to disclose sources of revenue collection increases the risk of misappropriation and the lack of transparency and accountability.

Recommendation

- 1.3.3.5 Management should provide reasonable justification for their non-compliance with the reporting requirements of the law cited above.
- 1.3.3.6 Going forward, the Management of EPA should ensure that all internal revenue collections and other funding sources be disclosed to the constituted authorities to avoid sanctions and damage to reputation.

Management's Response

- 1.3.3.7 *Management acknowledges your observation: Indeed there is quarterly report presented at the MFDP. Please see attached copy.*

Auditor General's Position

- 1.3.3.8 Management's assertion is not backed by any documentary evidence. Therefore, the EPA Management is in breach of financial discipline per Regulation A.20 of the PFM Act of 2009.

1.3.4 Irregularity Noted with EPA's Financial Statements

Observation

1.3.4.1 Regulation A.20 (1) of the PFM Act, 2009 states that "A public officer is in breach of financial discipline if he or his act or omission goes contrary to instructions or directives contained in these Regulations or in accounting instructions or manual for which no variation is permitted except by an appropriate authority".

1.3.4.2 In the analysis of the Entity's financial statements presented during the audit, we observed several discrepancies for the period 1 July 2015 to 30 June 2016. Details of these inconsistencies are expatiated below:

- Management reported in its June 30, 2015 closing cash balance of the financial statements the amount of US\$491,588.72. For general accounting reporting purposes this figure should represent the opening balance for the fiscal year 2015/2016. But instead management reported an amount of US\$246,310.82. Thus, creating an understatement in the amount of US\$245,277.90 for fiscal year 2015/2016.
- It was observed that cash receipts, cash payments and cash balances of grants controlled by EPA was not recognized as such in the statement of cash receipts and cash payment for the period 2015 to 2016.

Risk

1.3.4.3 With no other reasonable way of auditing the opening balances, we have no assurance that balances are stated and reported fairly. The omission of reports could lead to misstatements in the annual accounts.

Recommendation

1.3.4.4 Management should provide material justification for not adhering to relevant directives contained in the PFM Regulations of 2009.

Management's Response

1.3.4.5 *Observation is acknowledged: For count 1.3.4, Looking at the ending closing balance for the period ended 2012/2013 which comprises of project US\$ 125,013.25 and EPA accounts US\$ 231,159.48. For the opening balance FY 2013/2014 which could have been US\$ 356,172.73 comprises of projects and EPA accounts was an oversight by the accountant. Moving forward, there will be a complete supervision.*

Auditor General's Position

1.3.4.6 Management's assertion that "for the opening balance FY 2013/2014 which could have been US\$ 356,172.73 comprises of projects and EPA accounts was an oversight by the accountant", cannot be sustained. Management did not provide any material evidence such as corrected financial statements and effort it had made to ensure full compliance with the PFM Regulations. Therefore, we maintain our recommendation is in breach of financial discipline per Regulation A.20 of the PFM Act of 2009.

1.4 Operational Matters

1.4.1 Safeguarding Of Assets within EPA

Observation

1.4.1.1 V.1 (2a & b) of the PFM Regulations of 2009 states that “The Head of Government Agency must take full responsibility of assets assigned to him by the General Services Agency and ensure that proper control systems exist for assets and that:(a) preventive mechanisms are in place to eliminate theft, losses, wastage and misuse; And (b) inventory levels are at an optimum and economical level”.

1.4.2 Fixed Assets

1.4.2.1 It was observed during the audit that Management did not have any documentation to track the transfer of assets from one location to another within the organization.

1.4.2.2 In addition, there were instances that assets purchased by the EPA were not properly recorded in the Fixed Assets Register and lack information such as date of acquisition, cost of acquisition, supplier, and code, assignee and location.

1.4.2.3 It was further observed that EPA did not have a documented policy on the disposal of its fixed assets. As such, we could not place reliance on the fixed assets recorded in the fixed asset registry by management for the period under audit.

Risk

1.4.2.4 Incomplete recording of assets could lead to misappropriation of assets and loss to Government.

Recommendation

1.4.2.5 The Management of EPA should ensure that there is a complete Fixed Assets Register, and a well-documented policy on the disposal of fixed assets. The fixed assets register should be periodically updated to account for additions and deletions of fixed assets.

1.4.2.6 The Management of EPA should provide for our inspection the title deeds for the Entity's properties list and a complete Fixed Asset Register as soon as possible.

Management's Response

1.4.2.7 *We acknowledge your observation. However, a fixed asset register is in place and all new items are coded before use.*

Auditor General's Position

1.4.2.8 Management's assertion is not backed by any documentary evidence. Therefore, we maintain our finding and recommendation.

1.5 Compliance Issue

1.5.1 Report on Procurement Processes

Observation

1.5.1.1 Part IV of the Amended and Restated Public Procurement and Concessions Act of 2010, sets out the general provisions on procurement proceedings required to be followed by government ministries, agencies and public corporations. The proceedings include but are not limited to the following:

- Qualification of bidders - a bidder should qualify by meeting the criteria set by the procuring entity;
- Clarification and modification of bidding and prequalification documents;
- Requirements Applicable to Bid and Bidder Prequalification Documentation
- Description of goods, works, and services;
- Deadline for bids and other applications;
- Cancellation of proceedings for rejection of bids, etc.

1.5.1.2 In order to ensure the foregoing proceedings have been followed during the procurement course, a summary report should be prepared for each procurement proceeding.

1.5.1.3 During the conduct of the audit, our review of documents revealed that Management did not prepare and maintain a summary report of procurement proceedings undertaken by the Entity for the period under audit.

1.5.1.4 Management stated that the procurement process was adhered to on several contracts awarded; however, there is no evidence to substantiate their assertion. Further, there was no evidence of the quarterly procurement report required by the PPC Act of 2005 as amended and restated in 2010.

Risk

1.5.1.5 In the absence of reports, we could not obtain reasonable assurance that the required proceedings as specified in the Amended and Restated PPC Act, 2010 had taken place.

Recommendation

1.5.1.6 Going forward, with proper oversight of senior management, the Procurement Department should prepare the summary report of each procurement activity. In addition, the previous quarterly procurement reports, if they were prepared, should be made available.

Management's Response

- 1.5.1.7 *We acknowledge your observation. The procurement committee reviews and approves all bids for onward approval by senior management. See attached copy of the latest procurement report from purchase of stationery for the agency.*

Auditor General's Position

- 1.5.1.8 Management's response did not address the finding and its assertion is not backed by any documentary evidence. Therefore, we maintain our finding and Management is in breach of financial discipline per Regulation A.20 of the PFM Act of 2009.

1.5.2 Electronic Bookkeeping System

- 1.5.2.1 The EPA uses an electronic bookkeeping system known as "Peachtree". The Peachtree Account Software has had several generations of software sold under the Peachtree Accounting name. As of the 2013 edition, Peachtree Accounting is now called Sage 50.

- 1.5.2.2 The Entity purchased from and had the software installed by a consultant; however, the following was observed during the audit:

- The Entity claims it purchased and it is the owner of the software but it was observed that the Consultant reserved the Administrative rights which made the entity dependent on the consultant.
- The EPA is a government agency that is required to report on IPSAS Cash basis; however, we observed the software was set up on an accrual basis.
- Further, FUNDAMENTALS OF ACCOUNTING: BASIC ACCOUNTING PRINCIPLES SIMPLIFIED FOR ACCOUNTING STUDENTS by Donatila San Juan states that the two main statements in financial reporting are the balance sheet and the income statements. The balances of assets are debited and the liabilities and owner's equity are credited balances and for the Income Statements, the revenues have credit balances and the expenses have debit balances.

- 1.5.2.3 It was observed during the audit that revenue accounts such as grants, internally generated funding, etc. were recorded in the system to reflect debit balances and expenses credit balances a clear deviation from the accounting fundamentals.

Risk

- 1.5.2.4 The readers of the financial statements would erroneously state the credit balances as income and expenses as revenues.

Recommendation

- 1.5.2.5 The Management should ask the consultant to transfer the Administrative rights to the entity and the software should be updated and reinstalled properly.

Management's Response

- 1.5.2.6 *Observation is acknowledged: Management has begun contacting firm with knowledge on the P.T and quick book to remedy this situation.*

Auditor General's Position

- 1.5.2.7 We acknowledge Management's acceptance of our finding. However, we will make a follow-up on the implementation of the audit recommendation.

1.6 Internal Control Activities

1.6.1 Internal Control with EPA's Projects

Observation

- 1.6.1.1 According to the Committee of Sponsoring Organization of the Treadway Commission (COSO), internal control is a process designed and implemented by management to militate against risks and achieve objectives. In this context, risk refers to the possibility of an event that could affect the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations.

- 1.6.1.2 During the audit and review of documentation of the controls instituted on EPA's Projects, we found that the Comptroller has been removed from the implementation of controls over project finances. Transactions are processed by the Executive Director, Deputy Executive Director and Project Accountant without any review by the Comptroller. This is evident by the absence of the Comptroller's signature, comments or review notes.

Risk

- 1.6.1.3 Inadequate supervision of key staff such as the project accountant could lead to errors and/or fraud. And if they occur they could go undetected for a long time.

Recommendation

- 1.6.1.4 The implementation of controls should get the involvement of senior finance staff like the Comptroller and should be documented to evidence that duties performed by subordinate staff have been reviewed by appropriately qualified staff.

- 1.6.1.5 The Management of EPA should provide justifiable reason for the exclusion of EPA's Comptroller from the day-to-day operations of EPA's Projects financial transactions.

Management's Response

- 1.6.1.6 *This observation is acknowledged. However, the comptroller now signs off on the voucher of the project along with the ED/DED. Senior management has absolute control of the project activities*

Auditor General's Position

- 1.6.1.7 We acknowledge Management's acceptance of our finding. However, we will make a follow-up on the implementation of the audit recommendation.

1.6.2 Risk Assessment Processes

Observation

- 1.6.2.1 Paragraph 17 of the Internal Integrated Framework, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) states "In most cases, the board or heads of public entity is ultimately responsible for determining whether management has implemented effective internal control including monitoring.

- 1.6.2.2 The organization makes this assessment by (a) Understanding the risks the organization faces and (b) Gaining an understanding of how senior management manages or mitigates those risks that are meaningful to the organizations' objectives". Obtaining this understanding includes determining how management supports its beliefs about the effectiveness of the internal control system in those important areas".

- 1.6.2.3 It was observed during the conduct of the audit that there was no evidence that the Management of EPA had put in place a risk assessment process for identifying, analyzing and evaluating organizational risks. Also, there was no evidence that the organization has a risk management policy to mitigate internal and external risks that could severely impact the achievement of the institution's objectives.

Risk

- 1.6.2.4 The absence of a risk assessment process could lead to EPA's Management not being aware of potential risks that may affect the operations of the EPA.

Recommendation

- 1.6.2.5 The Management of EPA should ensure that periodic risk assessment is performed and an established risk management policy is put in place to enable Management identify risks and design appropriate responses to risks that could negatively impact its ability to deliver quality service and achieve its goals and objectives.

Management's Response

- 1.6.2.6 *The Internal Audit Agency (IAA) staff, along with the EPA internal auditor conducts periodic risk assessment. A recommendation has been put forward for the development a risk management policy. This will be completed by the end of the 2nd quarter 2017/2018*

Auditor General's Position

- 1.6.2.7 Management's assertion is not backed by any documentary evidence. Therefore, we maintain our recommendation.

1.6.3 Disaster Recovery Plan

Observation

1.6.3.1 According to COSO Internal Control Framework on Control Environment, the Management of an entity should develop a documented Disaster Recovery Plan to provide procedures to be followed in the event of a disaster. The plan would mitigate the loss of transaction data and information. The purpose of the plan is to minimize the effects of service interruption of the operations by:

- Specifying procedures to be followed in the event of a disaster or specific situation, especially measures to be put in place to minimize the effects of disasters;
- Assigning responsibilities to various staff members involved in the implementation of the plan;
- Specifying procedures for the restoration of normal service following a disaster.

1.6.3.2 It was observed during the conduct of the audit that there was no evidence that EPA Management had put in place a disaster recovery plan to help recover transaction data and information to ensure continuity.

Risk

1.6.3.3 The failure to establish a disaster recovery plan may result in a complete loss of transaction data and information in the aftermath of disaster.

Recommendation

1.6.3.4 Management should establish a disaster recovery plan as part of its risk management strategy. This would mitigate the risk of loss of transaction data and information in the event of a mishap.

Management's Response

1.6.3.5 *EPA has purchased a new server and a cyberum to avert any future disaster or mitigate the impacts.*

Auditor General's Position

1.6.3.6 Management's assertion is not backed by any documentary evidence. We therefore maintain our recommendation.

1.7 IT Related Internal Controls

1.7.1 Audit Trail Not enabled in the system

Observation

1.7.1.1 DS10.2 of CoBIT 4.1 states that, Problem Tracking and Resolution Ensure that the problem management system provides for adequate audit trail facilities that allow tracking, analyzing and determining the root cause of all reported problems considering:

- All associated configuration items
- Outstanding problems and incidents
- Known and suspected errors
- Tracking of problem trends

1.7.1.2 In addition, the Information Systems Audit and Control Association (ISACA) states that an audit trail should access and supervise all action from all users in the system and should not be accessible to normal users. It should enable examiner to trace the financial data from general ledger to the source document.

1.7.1.3 We noted during the conduct of the audit that EPA has an accounting application (Peachtree) which processes all financial transactions. However, we further observed that the audit trail in the system was not enabled. In addition, the system administrator is not knowledgeable about the system, to supervise and maintain access right in the system based on user's role and responsibility.

Risk

1.7.1.4 The absence of an audit trail in the system could lead to transactions not been tracked and supervised by the system to enable examiner to trace financial data. Additionally, system administrator not being knowledgeable about the system to set criteria based on user roles and responsibility could lead to an unauthorized user accessing the system.

Recommendation

1.7.1.5 Management should ensure that there is an audit trail and the system administrator takes full responsibility in maintaining and monitoring system performance, responding to service outages including other system related problems.

Management's Response

1.7.1.6 *Management acknowledges your observation: Management has contacted a firm with to set up an updated PT software or quick book to correct the problem.*

Auditor General's Position

1.7.1.7 We acknowledge Management's acceptance of our finding. However, we will make a follow-up on the implementation of the audit recommendation.

1.7.2 IT Continuity plans

Observation

1.7.2.1 DS 4.2 of CoBit 4.1, Develop IT continuity plans based on the framework and designed to reduce the impact of a major disruption on key business functions and processes. The plans should be based on risk understanding of potential business impacts and address requirements for resilience, alternative processing and recovery capability of all critical IT services. They should also cover usage guidelines, roles and responsibilities, procedures, communication processes, and the testing approach.

1.7.2.2 Our review of the system revealed that there was no evidence of an approved IT Continuity Plan by EPA's Management to help recover transaction data and information and to ensure business processing and recovery capability.

Risk

1.7.2.3 The failure to establish Business Continuity Plan may result in complete loss of transaction data and information in a situation where the impact of a major disruption on key business functions and processes occur.

Recommendation

1.7.2.4 The Management of EPA must establish a Business Continuity Plan as part of their risk management strategy. This would mitigate the impact of a major disruption on key business functions and recovery capability of all critical IT services.

Management's Response

1.7.2.5 *Management has put in place an IT policy and strategy as attached.*

Auditor General's Position

1.7.2.6 Management did not provide evidence to support its assertion that it has put in place a Business Continuity Plan as part of its risk management strategy. Management draft ICT Policy Pending document provided is not a material justification to substantiate its claim. Therefore, we maintain our recommendation.

1.7.3 Environmental Control

Observation

1.7.3.1 DS 12.4 of CoBit 4.1, Protection against Environmental Factors Design and implement measures for protection against environmental factors. Install specialized equipment and devices to monitor and control the environment.

1.7.3.2 During the conduct of the audit, we noted that the IT department of EPA has six staff, the staffers and server are situated in a tiny room with no space to adequately conduct IT work and documents are also stored within the same place.

1.7.3.3 It was also observed that the air conditional has a low capacity, and that the Entity has limited specialized equipment and devices to monitor and minimized disaster. More besides, the following lapses were observed:

- Out-dated Fire extinguishers
- Air conditioning systems (especially in server room)
- Fire suppression systems
- There were no evidence of fire drill been conducted by Management.

Risk

1.7.3.4 Failure to separate staff workstation from server room in the event of disaster could lead to the destruction of personnel and equipment.

1.7.3.5 In addition, Failure to install or maintain fire precaution measures, and practice fire drills regularly will put both equipment and personnel at risk and maximize disruption.

Recommendation

1.7.3.6 The EPA management should separate staff workstation from sever room. The cooling temperature in a server room should be higher than that of a staff work station.

1.7.3.7 In addition, Management should install and maintain fire precaution to implement measures for protection against environmental factors and practice fire drills regularly to safeguard personal and IT equipment.

Management's Response

1.7.3.8 *Due to limited space, we cannot address this problem. It has been confirmed that EPA will relocate to the new ministerial complex in 2019. This will alleviate the problem.*

Auditor General's Position

1.7.3.9 We acknowledge Management's acceptance of our recommendation; we maintain our recommendation and will follow-up during subsequent audit.

1.7.4 IT's Security Policy

Observation

1.7.4.1 According to DS5 of CoBit 4.1: The need to maintain the integrity of information and protect IT assets requires a security management process, This process includes establishing and maintaining IT security roles and responsibilities, policies, standards, and procedures. Security management also includes performing security monitoring and periodic testing and implementing corrective actions for identified security weaknesses or incidents. Effective security management protects all IT assets to minimize the business impact of security vulnerabilities and incidents.

1.7.4.2 During the conduct of the audit, it was observed that there was no evidence of an approved IT security policy to maintain the integrity of information and identified

security weaknesses. In addition, our review revealed that EPA's employees are not password protected in using the internet; they have access to the internet by means of the server password. This means that the employees have an open-source access to the internet.

Risk

- 1.7.4.3 The absence of an approved IT security policy, increases the risk of inappropriate working practices being adopted and loss of integrity.

Recommendation

- 1.7.4.4 Management should develop an approved and appropriate IT security policy to control and safeguard the physical hardware, data processes, documentation and personnel.
- 1.7.4.5 Additionally, access right should be given to staff based on their role and responsibilities in the system and a domain controller system that contains a group of computer that can be accessed and administrated with a common set of rules.

Management's Response

- 1.7.4.6 *There is a policy as attached.*

Auditor General's Position

- 1.7.4.7 Management draft ICT Policy Pending document provided is not a material justification to substantiate its claim. Therefore, we maintain our recommendations.

1.7.5 IT Strategic Committee

Observation

- 1.7.5.1 PO4.2 of CoBit 4.1, State that an organization that operates in an IT environment should establish an IT strategic Committee at top management level. This committee should ensure that IT governance, as part of enterprise governance, is adequately addressed. The purpose of the committee is to advise on strategic direction, and review major investments on behalf of top management.
- 1.7.5.2 During the audit we noted that there was no evidence of an IT strategic Committee meeting minutes signifying that the Environmental Protection Agency (EPA), had established an IT strategic committee to address the operations of the IT control environment and strategic directions.

Risk

- 1.7.5.3 The non-establishment of an IT strategy committee at the top management level could result in IT governance, as part of enterprise governance, not being adequately addressed.

Recommendation

- 1.7.5.4 The Management of EPA should establish a strategic committee to carry out its core functions in order to adequately address the IT governance issues, which include formulating strategic direction and reviewing major investment as it relates to enterprise governance.

Management's Response

- 1.7.5.5 *Yes we do have a establish ICT strategic committee. See attached Document*

Auditor General's Position

- 1.7.5.6 Management's assertion that there is an established ICT strategic committee is not backed by documentary evidence for the period under audit. Therefore, we maintain our recommendation.

1.7.6 Lack of offsite back-up

Observation

- 1.7.6.1 In accordance with CoBIT 4.1 paragraph DS 4.9, Offsite Backup Storage Store offsite all critical backup media, documentation and other IT resources necessary for IT recovery and business continuity plans Management should determine the content of backup storage in collaboration with business process owners and IT personnel. Management of the offsite storage facility should respond to the data classification policy and the enterprise's media storage practices. IT Management should ensure that offsite arrangements are periodically assessed, at least annually, for content, environmental protection and security. Ensure compatibility of hardware and software to restore archived data, and periodically test and refresh archived data.

- 1.7.6.2 Our review of the system and other related documentation revealed that there was no evidence provided that EPA's Management had established an offsite back-up facility to restore data and maintain hardware and software.

Risk

- 1.7.6.3 The impact of not having an offsite back-up facility, would lead to loss of service to users, credibility, incomplete and inaccurate records in the event of disaster

Recommendation

- 1.7.6.4 The Management of EPA should be made to obtain an offsite back-up facility to safeguard business from future disaster.

Management's Response

- 1.7.6.5 *Yes we do have a server for our backup system and Cyberoam for our security firewall and network policy put in place.*

Auditor General's Position

- 1.7.6.6 Management's assertion that it has backup and firewall is not a material justification to cure this finding. The backup and firewall systems cannot be exposed to the same risk. Management needs to have an offsite location to store all of its important information and at the same time have easy access to the information in the event of disaster. Therefore, we maintain our finding and recommendation.

1.7.7 Service Level Agreements

Observation

- 1.7.7.1 DS1.3 of CoBit 4.1 state that Service Level Agreements Define and agree to SLAs for all critical IT services based on customer requirements and IT capabilities. This should cover customer commitments; service support requirements; quantitative and qualitative metrics for measuring the service signed off on by the stakeholders; funding and commercial arrangements, if applicable; and roles and responsibilities, including oversight of the SLA. Consider items such as availability, reliability, performance, capacity for growth, levels of support, continuity planning, security and demand constraints.

- 1.7.7.2 During the audit we noted that there was no evidence of Service Level Agreements (SLAs) between the Environmental Protection Agency (EPA) and the vendor James A.B. Wureh Accounting firm that provided the accounting application Peachtree to EPA.

- 1.7.7.3 In addition, The EPA staffs are not fully knowledgeable about the application, there were no manuals given by the vendor to guide employee in the functionality of the application.

Risk

- 1.7.7.4 In the absence of EPA not entering in to proper SLA based on the business case, not identifying capability and realization of the expected benefits could lead to unlimited access of the software package.

- 1.7.7.5 In addition, Failure to understand the full accounting application of Peachtree might lead to funding not been applied for the intended purpose.

Recommendation

- 1.7.7.6 The Management of EPA should conduct an IT service on equitable and enforceable service level agreements (SLAs). Accountability for achieving the benefits and controlling the costs should be clearly assigned and monitored. Establish fair, transparent, repeatable and comparable evaluation of business cases, including financial worth.

1.7.7.7 In addition, we recommend that the vendor should be in the position to train EPA's staff and provide manual and guideline that will inform staff to be more effective and efficient in notifying early warning of any deviations.

Management's Response

1.7.7.8 *Working on this.*

Auditor General's Position

1.7.7.9 We acknowledge Management's acceptance of our recommendation; however, we maintain our recommendation and will follow-up during subsequent audit.

2 ACKNOWLEDGEMENT

- 2.1 We acknowledge the cooperation and assistance provided to the GAC Audit Team by the staff of the Environmental Protection Agency (EPA) and other individuals as well as institutions who contributed to the success of this audit. The efforts and commitment of GAC staff in conducting this audit are also gratefully acknowledged.


Yusador S. Gaye CPA, CGMA
Auditor General, R.L.

Monrovia, Liberia
November, 2017

ANNEXURES

Annexure 1: Daily Attendance Registry

NO.	NAME	MONTHS
1.	Esther J. Butler	July -2015- September 30, 2015
2.	Orether Dorley	July -2015- September 30, 2015
3.	N. Levi Duo	July -2015- September 30, 2015
4.	Abraham Kiazolu	July -2015- September 30, 2015
5.	Kollie Sackor	July -2015- September 30, 2015
6.	Sarah Sawyer	July -2015- September 30, 2015
7.	Victoria Weah	July -2015- September 30, 2015
8.	Jarja V. Okor	July -2015- September 30, 2015
9.	K. Elizah Bunkan	July -2015- September 30, 2015
10.	Patrick S. Gbelee	July -2015- September 30, 2015
11.	Joseph Z. Dabeh	July -2015- September 30, 2015
12.	Julius Doe	July -2015- September 30, 2015
13.	Alfred Weah	July -2015- September 30, 2015
14.	John Y. Sackie	July -2015- September 30, 2015
15.	Hassan G. Jalleba	July -2015- September 30, 2015
16.	Mawelee M. Sennis	July -2015- September 30, 2015
17.	Amanbuda Sherman	July -2015- September 30, 2015
18.	Korpo Sally	July -2015- September 30, 2015
19.	Mathalean F. Beah	July -2015- September 30, 2015
20.	Williams O. Akor	July -2015- September 30, 2015
21.	Bermice D. Bbartor	July -2015- September 30, 2015
22.	Nyankon Davis	July -2015- September 30, 2015
23.	Isaac S. Wisseh	July -2015- September 30, 2015
24.	Princess F. Young	July -2015- September 30, 2015
25.	Athello F. Gbarder	July -2015- September 30, 2015
26.	Tennema N. Coleman	July -2015- September 30, 2015
27.	James Gibson	July -2015- September 30, 2015
28.	Hawa K. Walker	July -2015- September 30, 2015
29.	Moses Nyouneh	July -2015- September 30, 2015
30.	Jamayor Burzie	July -2015- September 30, 2015
31.	Mcathert D. Donnie	July -2015- September 30, 2015
32.	Mexwell G. Borba	July -2015- September 30, 2015
33.	James Mulbah	July -2015- September 30, 2015
34.	Marie M. Yosy	July -2015- September 30, 2015
35.	S. Moses Kenellies	July -2015- September 30, 2015
36.	Thomas D. Kollie	July -2015- September 30, 2015
37.	William F. Sely	July -2015- September 30, 2015
38.	Seyvia K. Kai	July -2015- September 30, 2015
39.	Mary L. Marshall	July -2015- September 30, 2015
40.	Fairbanks Ashiore	July -2015- September 30, 2015
41.	Salley Kaidii	July -2015- September 30, 2015
42.	Moretha A. Brown	July -2015- September 30, 2015
43.	Kewetta Tamba	July -2015- September 30, 2015

Annexure 2: Repairs & Maintenance

Date	Voucher No.	Payee	Check No.	Amount	Comment
3-May-16	5268	Devine Destiny Spare Parts	00169772	540.00	There was no Evidence of Three Quotations
8-Sep-15	4910	Prestige Motor Cooperation	00028849	597.00	There was no Evidence of Three Quotations
9-Oct-15	4877	Edward G. Wingbah	00134709	1,000.00	There was no Evidence of Three Quotations
13-Jul-15	4767	Edward G. Wingbah	00041034	1,000.00	There was no Evidence of Three Quotations
26-May-16	5343	James Beyan	0018979802	825.00	There was no Evidence of Three Quotations
16-Feb-16	5143	James Beyan	00167736	850.00	There was no Evidence of Three Quotations
30-May-16	5369	Alliance Motor Company	00189820	502.00	There was no Evidence of Three Quotations
17-Jun-16	5408	James Beyan	00203318	475.00	There was no Evidence of Three Quotations
8-Jun-16	5384	Cica Motors Liberia Inc.	00203255	206.55	There was no Evidence of Three Quotations
8-Jun-16	5383	Cica Motors Liberia Inc.	00481689	272.55	There was no Evidence of Three Quotations
20-May-16	5324	Billy Brother General Auto Garage	00189781	500.00	There was no Evidence of Three Quotations
10-May-16	5194	Edward G. Wingbah	00189786	1,000.00	There was no Evidence of Three Quotations
11-Apr-16	5223	Jerry T. Toe	00169793	185.00	There was no Evidence of Three Quotations
8-Oct-15	4875	Jerry T. Toe	00134708	125.00	There was no Evidence of Three Quotations
Total				US\$8,078.10	

Annexure 3: Unretired Incidental Allowances

NO.	PAYEE	VOUCHER #	DATE OF DEPARTURE	VOUCHERS AMOUNT (US\$)	AMOUNT NOT RETIRED (US\$)
1	Anyaa Vohiri	4882	October 12-17, 2015	350.00	350.00
2	Anyaa Vohiri	4887	November 1-6 ,2015	1,025.00	250.00
3	Anyaa Vohiri	4888	November 6-8, 2015	1,115.00	250.00
4	Henry O. Williams	4945	September 28- October 2,2015	350.00	350.00
5	P. Emmanuel Munyeneh	4872	October 14- 2015	350.00	350.00
6	Anyaa Vohiri	4873	October 7-October 27,2015	1,327.50	250.00
7	Anyaa Vohiri	5068	January 24-31, 2016	1,247.50	250.00
8	Levi Z. Piah	5271	March 6-18, 2016	350.00	350.00

NO.	PAYEE	VOUCHER #	DATE OF DEPARTURE	VOUCHERS AMOUNT (US\$)	AMOUNT NOT RETIRED (US\$)
9	Henry O. Williams	5294	March 21-25, 2016	350.00	350.00
10	Anyaa Vohiri	5281	March 11-20, 2016	785.00	250.00
11	Hawa W. Korvah	5291	March 27- April 3, 2016	888.75	350.00
12	Sete F. Marshall	5337	June 5-14, 2016	350.00	350.00
13	Baiyezenah W. Brown	5245	April 24-May28, 2016	732.00	732.00
14	Anyaa Vohiri	5231	April 25- May 1, 2016	788.00	250.00
15	Jefferson Dahn	5233		350.00	350.00
16	Emmanuel Munyeneh	5242	April 25-May 1, 2016	350.00	350.00
17	Benjamin S. Karmorh	5234	April 15-20, 2016	350.00	350.00
18	Urias Goll`	5308	May 15-21, 2016	634.00	634.00
19	Anyaa Vohiri	5317	May 22-28, 2016	771.25	250.00
20	Franco Grimes	5355		420.00	420.00
21	Anyaa Vohiri	5183	May 10-13, 2016	430.00	250.00
22	Urias Goll	5374	June 5-12, 2016	927.50	350.00
23	Johansen T. Voker	5424		1,911.00	198.00
24	Anyaa Vohiri	5448	July 4-16, 2016	806.00	806.00
TOTAL				16,958.50	8,640.00

Annexure 4: Non Retirement of Travel Advances

NO.	DATE	PAYEE	DESCRIPTION	VOUCHER #	AMOUNT (US\$)
1	3/14/2016	Anyaa Vohri	Payment for foreign travel DSA	02151623	756.25
2	2/23/16	Elijah Whapoe	Payment for foreign travel DSA	02231649	1,200.00
3	1/22/16	Bernice Y. Gbartoe	Payment for local travel DSA(ESAI Joint Stakeholder Review IN River Gee)	01221631	3,415.00
4	1/22/16	Mary L. Marshall	Payment for local travel DSA(ESIA JOINT STAKEHOLDING REVIEW)	01221629	1,400.00
5	7/16/15	Henry T. Weah	Payment for local travel DSA	07161520	1,940.00
6	8/4/15	Benjamin Kormorh jr	Payment for foreign travel DSA to USA	0803157	1,347.00
7	9/24/15	Narwelle M. Dennis	Payment for local travel DSA transportation for inspectors training workshop	09241527	2,340.00
8	1/22/16	Narwelle M. Dennis	Payment for local means of travel (ESIA Joint Stakeholder (Review))	01221630	8,484.39
9	9/2/15	Narwelle M. Dennis	Payment for local travel DSA	09021502	1,350.00
10	2/16/16	Sapheway Enterprise	Payment for foreign travel incidental allowance	00169733	700.00
11	1/13/16	Liberia Chamber of Commerce	Payment for local travel DSA	00169828	1,000.00
12	8/25/2015	Oragon Travel Service	Payment for air ticket	00066589	2,021.00

NO.	DATE	PAYEE	DESCRIPTION	VOUCHER #	AMOUNT (US\$)
13	8/25/2015	Oragon Travel Service	Payment for air ticket	00066589	2,021.00
14	11/13/15	Narwelle M. Dennis	Payment for local travel DSA to Buchanan	00028832	690.00
Total					28,664.64

Annexure 5: Unretired Travel Advance

No.	DATE	PAYEE	Description	VOUCHER #	AMOUNT (US\$)
1.	10/9/2015	Anyaa Vohiri	Payment for foreign travel incidental	4882	350.00
2.	7/3/2015	Henry T. Weah	Payment for local travel DSA for joint stake holder review in Bong County	4759	14,610.00
3.	12/20/2015	Mary L. Marshall	Payment represents DSA for EPA staff facilitators , Technical support and honorarium	5045	3,200.00
4.	12/9/2015	Bernice Y. Gbartoe- dor	Payment for local Travel DSA for assessment visit to Aureus Mining Company	5018	570.00
5.	10/29/2015	Anyaa Vohiri	Payment for foreign travel incidental allowance & DSA	4887	1,025.00
6.	10/29/2015	Anyaa Vohiri	Payment for foreign travel incidental allowance and DSA	4888	1,115.00
7.	9/24/2015	Henry O. Williams	Payment for foreign travel incidental allowance	4945	350.00
8.	10/8/2015	P. Emmanuel Munyeneh	Payment for foreign travel incidental allowance	4872	350.00
9.	9/21/2015	Narwelee M. Dennis	Payment for local travel DSA/ESIA joint stakeholder review	4934	1,960.00
10.	10/8/2015	Anyaa Vohiri	Payment for foreign travel incidental allowance	4873	1,327.50
11.	1/14/2016	Anyaa Vohiri	Payment for foreign travel incidental allowance & DSA	5068	1,247.00
12.	3/4/2016	Levi Z. Piah	Payment for foreign travel incidental allowance	5271	350.00
13.	3/18/2016	Henry O. Williams	Payment for foreign travel incidental allowance	5294	350.00
14.	3/10/2016	Anyaa Vohiri	Payment for foreign travel ED	5281	785.00
15.	3/17/2016	Hawa W. Korvah	Payment for foreign travel incidental allowance	5291	888.75
16.	3/14/20/16	Narwelee M. Dennis	Payment for local travel DSA to Aurew Marel Ggrand Cape Mount	5287	555.00
17.	5/24/2016	Sete F. Marshall	Payment for foreign travel incidental allowance	5337	350.00

*Compliance Report on the Environmental Protection Agency (EPA)
For the Period July 1, 2015 to June 30, 2016*

No.	DATE	PAYEE	Description	VOUCHER #	AMOUNT (US\$)
18.	4/12/2016	Narwelee M. Dennis	Payment for transportation & feeding for kickball team	5225	385.00
19.	4/5/2016	Narwelee M. Dennis	Payment for transportation ,feeding & yellow cards	5219	930.00
20.	4/20/2016	Baiyezenah W. Brown	Payment for foreign travel incidental allowance for training in Japan	5245	732.00
21.	4/13/2016	Anyaa Vohiri	Payment for foreign travel incidental allowance	5231	788.00
22.	4/14/2016	Jefferson Dahn	Payment for foreign travel incidental allowance	5233	350.00
23.	4/20/2016	Emmanuel Munyeneh	Payment for foreign travel incidental allowance to attend ECOWAS workshop	5242	350.00
24.	4/14/2016	Benjamin S. Karmorh	Payment for foreign travel incidental allowance	5234	350.00
25.	5/12/2016	Urias Goll`	Payment for foreign travel incidental allowance	5308	634.00
26.	5/19/2016	Anyaa Vohiri	Payment for foreign travel incidental allowance	5317	771.25
27.	5/26/2016	Franco Grimes	Payment for foreign travel incidental & reimbursement	5355	420.00
28.	5/6/2016	Anyaa Vohiri	Payment for foreign travel incidental allowance	5183	430.00
29.	5/31/2016	Urias Goll	Payment for foreign travel incidental allowance	5374	927.50
30.	6/15/2016	Narwelee M. Dennis	Payment for local transportation reimbursement for invitees	5401	1,725.00
31.	6/29/2016	Bernice Y.Gbartoe- Dor	Payment for local travel DSA to Bong County	5450	1,210.00
32.	6/21/2016	Johansen T. Voker	Payment for foreign travel DSA for eight days, incidental & round trip air ticket from W indhoek to walvis Namibia	5424	1,911.00
33.	6/29/2016	Anyaa Vohiri	Payment for foreign travel incidental allowance	5448	806.00
34.	6/13/2016	Narwelee M. Dennis	Payment request for local travel DSA to Bong	5389	705.00
35.	6/16/2016	Bernice Y. Gbartoe- dor	Payment for DSA (EPA Team) ESIA stake holders review	5402	625.00
36.	6/16/2016	Narwelee M. Dennis	Payment for local travel DSA	5403	510.00
37.	6/1/2016	Bernice Y. Gbartoe – Dor	Payment request for local travel DSA	5377	4,990.00
		Total			48,933.00