



Management Letter

On the Financial Statement Audit of the Institutional Foundations to Improve Services for Health (IFISH) Project

For the Year ended January 1 to December 31, 2023



Promoting Accountability of Public Resources

**P. Garswa Jackson Sr. FCCA, CFIP, CFC
Auditor General, R. L.**

Monrovia, Liberia
June 2024

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Acronyms

Acronyms/Abbreviations/Symbol	Meaning
AF	Additional Financing
AFP	Audit Focal Person
AG	Auditor General
CBO	Community-Based Organizations
CFC	Certified Financial Consultant
CFCI	Certified Forensic Investigation Professional
DMA	Deputy Minister for Administration
DMHS	Deputy Minister for Health Services
Dr.	Doctor
DSA	Daily Sustenance Allowance
EOC	Emergency Operation Center
EVD	Ebola's Virus Disease
F/S	Financial Statements
FCCA	Fellow Member of the Association of Chartered Certified Accountants
GCHT	Gbarpolu County Health Team
GoL	Government of Liberia
HSSP	Health Systems Strengthening Project
IDA	International Development Association
IFR	Interim Financial Reports
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standards of Supreme Audit Institutions
MD	Medical Doctor
MOH	Ministry of Health
No.	Number
OFM	Office of Financial Management
PBF	Performance Based Financing
PCO	Project Coordination Office
PFM	Public Financial Management
PIM	Project Implementation Manual
PPC	Public Procurement & Concessions
PTC	Project Technical Committee
QPR	Quarterly Progress Report
RL	Republic of Liberia
SOE	Statement of Expenditures
TA	Technical Assistance
ToR	Term of Reference
USD/US\$	United States Dollars

June 28, 2024

Hon. Louise M. Kpoto, M.D.

Minister

Ministry of Health (MoH)

J.N. Togba Sr. Building

P.O. Box 10-0-9009, Congo Town

Monrovia, Liberia

Dear Dr. Kpoto:

Management Letter on the Financial Statement Audit of the Institutional Foundations to Improve Services for Health (IFISH) Project for the Year Ended January 1 to December 31, 2023.

The financial statements of the Institutional Foundations to Improve Services for Health (IFISH) Project for the Year Ended December 31, 2023 are subject to audit by the Auditor General (AG) consistent with the Auditor General's mandate as provided for under Section 2.1.3 of the GAC Act of 2014 and the Audit Engagement Term of Reference.

INTRODUCTION

The audit of the Institutional Foundations to Improve Services for Health (IFISH) financial statements for the year ended December 31, 2023 has been completed; the purpose of this letter is to bring to your attention the findings that were revealed during the audit.

SCOPE AND DETERMINATION OF RESPONSIBILITY

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). These standards require that the audit is planned and performed so as to obtain reasonable assurance that, in all material respects, fair presentation is achieved in the annual financial statements.

An audit includes:

- Examination on a test basis of evidence supporting the amounts and disclosures in the financial statements;
- Assessment of the accounting principles used and significant estimates made by management; and
- Evaluation of the overall financial statement presentation.

An audit also includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to our attention and are applicable to financial matters.

The matters mentioned in this letter are therefore those that were identified through tests considered necessary for the purpose of the audit and it is possible that there might be other matters and/or weaknesses that were not identified.

The financial statements, maintenance of effective control measures and compliance with laws and regulations are the responsibility of the Project Management. Our responsibility is to express our opinion on these financial statements for the fiscal period ended December 31, 2023.

The audit findings which were identified during the conduct of the audit are included below.

Appreciation

We would like to express our appreciation for the courtesy extended and assistance rendered by the Management and staff of the Institutional Foundations to Improve Services for Health (IFISH) Project during the audit.

Monrovia, Liberia
June 2024

P. Garswa Jackson Sr. FCCA, CFIP, CFC
Auditor General, R.L.



1 DETAILED FINDINGS AND RECOMMENDATIONS

1.1 Financial Issues

1.1.1 Non-Remittance of Withholding Taxes

Criteria

- 1.1.1.1 Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011 stipulates: "within 10 days after the last day of the month, payer described in (a) is required to remit to the tax authorities the total amount required to be withheld during the month", and (m) stipulates "a person who has a withholding obligation under this section and fails to withhold and remit the amount of tax required to be withheld is subject to Section 52 penalty for late payment and failure to pay".
- 1.1.1.2 Section 91. (a) of the revised Revenue Code of 2011 states that; A person required under the provisions of this Code or regulations hereunder to withhold, collect, segregate, account for, or pay over any tax or other revenues of the Republic and who knowingly fails to do so commits a misdemeanor. Upon conviction, in addition to any other sanctions that may be provided by law, the person is subject to a fine of not more than \$50,000.00, imprisonment for not more than one year, or both.

Observation

- 1.1.1.3 During the audit, we observed that Management withheld the total amount of US\$89,602.66 as taxes from payment of services rendered by staff, contractors and consultants of the project.
- 1.1.1.4 However, we observed no evidence that the taxes were remitted to the Consolidated Account. **See table 1A, 1B and 1C below for details:**

Table 1A: Non-Remittance of Withholding Taxes

Position	Monthly Gross Salary	10%	Total withholding taxes for 12months
	US\$	US\$	US\$
Financial Management Officer	3,210.00	321	3,852.00
Health Infrastructure Specialist	4,084.55	408.455	4,901.46
Procurement Officer	2,941.18	294.118	3,529.42
Procurement Assistant	1,277.76	127.776	1,533.31
Office Assistant	500	50	600.00
Office Assistant	500	50	600.00
Procurement Clerk	500	50	600.00
Project Driver No. 1	450	45	540.00
Project Driver No. 2	450	45	540.00
Project Manager	6,500	650	7,800.00
Deputy Project Manager	4,575.16	457.51	5,490.12

Position	Monthly Gross Salary	10%	Total withholding taxes for 12months
	US\$	US\$	US\$
Infrastructure Analyst	2,200	220	2,640.00
Program Officer	2,600	260	3,120.00
Program Assistant	1,100.00	110	1,320.00
Social Safeguard Officer	2,111.11	211.11	2,533.32
Total	32,999.76	3,299.97	39,599.63

Table 1B: Non-Remittance of Withholding Taxes

Position	Monthly Gross Salary US\$	15% Income Deduction US\$	Total withholding taxes for 12 months US\$
International Performance Based Financing (PBF) Technical Assistant	10,171.60	1,525.74	18,308.88

Table 1C: Non-Remittance of Withholding Taxes

Contract or	Date	voucher #	Description	Gross amount	15% withholding tax
				US\$	US\$
Cordaid	Jan 1, 2023	2023/001	Fifth installment payment to Cordaid	200,861.64	30,129.25
Total				200,861.64	30,129.25

Table1D: Non-Remittance of Withholding Taxes

#	Vendors	Gross Amount	2%
		US\$	US\$
1	E. John (Catering & Hall Rental)	30,859.00	617.18
2	United Motor (Delivery of bike)	42,924.00	858.48
3	Cerra Auto	4,462.00	89.24
Total		78,245.00	1,564.90

Risk

- 1.1.1.5 Failure to remit taxes withheld, may deny GoL of much needed tax revenue.
- 1.1.1.6 Management may be noncompliant with Section (905) J. of the Revenue Code of Liberia Act of 2000, which may result in to penalties for late payment and failure to pay.

- 1.1.1.7 Non-remittance of withholding taxes may lead to an overstatement of the cash book and subsequently the financial statements.

Recommendation

- 1.1.1.8 Management should provide substantive justification for not remitting withholding taxes to the Consolidated Account.
- 1.1.1.9 Going forward, Management should facilitate full remittance of withholding taxes to the LRA in keeping with Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011. Evidence of remittance of withholding taxes including original copies of flag receipts and other relevant supporting records should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.1.10 *Income taxes withheld during the period were paid on the Ecobank Online Platform. Taxes of different categories (1%, 2%, 4%, 10% & 15%) were aggregated and paid.*
- 1.1.1.11 *Please find attached a list of payments to LRA that was made on Omni (Ecobank Online Platform) as evidence that the taxes for Vendors and Consultants were paid; most notably the one for CORDAID (Table 1C) that was paid separately. Please see Exhibit I.*

Auditor General's Position

- 1.1.1.12 We acknowledge receipt of bank statements subsequently submitted after our audit execution and verified 5th installment payment to Cordaid for withholding taxes amounting to US\$ 30,129.25. However, other withholding tax payments cataloged in our findings above could not be traced to the bank statements. Therefore, we maintain our recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.1.2 Variance between Allocation per PIM and Financial Statements

Criteria

- 1.1.2.1 According to Sections 1.1 and 1.3 of the 2022 updated IFISH Project Implementation Manual, the World Bank Board approved the parent project for the Liberia Institutional Foundation to Improve Services for Health (IFISH) on May 20, 2020 and begins effective on February 2, 2021 with a total cost or financing envelop including the Additional Financing totaling US\$85 million (IDA-SUF US\$54M; IDA US\$20M and GFF US\$11M).

Observation

- 1.1.2.2 During the audit, we observed a total variance of US\$1,000,000 between the allocation per PIM and the financial statements. **See table 2 below for details.**

Table 2: Variance between Allocation Per PIM and Financial Statements

Components:	Ref	Allocation Per PIM US\$ (A)	Allocation Per Financial Statements US\$ (A)	Variance US\$ C=(A-B)
1. Improve Health infrastructure	IDA	38,000,000.00	21,000,000.00	17,000,000.00
2. Improve Health Service Delivery	IDA & GFF	23,000,000.00	47,000,000.00	(24,000,000.00)
3. Strategic purchasing and equity in health financing	IDA & GFF	18,500,000.00	11,000,000.00	7,500,000.00
4. Project Management, and monitoring and evaluation	IDA & GFF	5,500,000.00	5,000,000.00	500,000.00
Total		85,000,000.00	84,000,000.00	1,000,000.00

Risk

- 1.1.2.3 Recording of inaccurate projection in the financial statements may lead to misstatement of the financial statements.
- 1.1.2.4 The completeness and accuracy of the financial statements may not be assured. Management may not account for all transactions of the project.
- 1.1.2.5 Fair presentation and full disclosure may be impaired.

Recommendation

- 1.1.2.6 Management should investigate the variance between the allocation per the PIM and the allocation per the financial statements and adjust the financial statements accordingly. The adjusted financial statements should be forwarded to the Office of the Auditor General as part of Management's response to this Management Letter.
- 1.1.2.7 Going forward, Management should ensure that transactions posted by a junior staff are reviewed and approved by senior personnel before the transactions appear in the general ledger. Subsequently, an automated linkage should be created among the general ledger, trial balance and the financial statements to facilitate the completeness and accuracy of the financial statements.

Management's Response

- 1.1.2.8 *The Financial Statements was revised to include the updated amount. Please see Exhibit II*

Auditor General's Opinion

- 1.1.2.9 We acknowledge Management's acceptance of our findings, recommendations and subsequent adjustment of the financial statements.

1.1.3 Payments for PBF Training without Evidence of Field/ Training Reports

Criteria

- 1.1.3.1 Section 2.14 of the MoH Financial Policies and Procedures Manual required that Donor funds transferred to programs, CHTs, hospitals, or any other MoH-sponsored institutions, shall be accounted for as an advance disbursed. On consolidation of financial reports from programs, CHTs, hospitals, or any other MoH-sponsored institutions, expenditures incurred by the programs, shall be offset against the advances received by these programs/institutions. MoH's "advances disbursed" accounts shall be cleared as institutions report their expenditures against the advances they received.
- 1.1.3.2 Additionally, MoH Financial Policies and Procedures Manual required that Management should establish procedures to ensure maintenance of complete and adequate records of transactions, senior management decisions, and other key events, including accounting source documents (journal/day book, ledgers, reconciliation and related management records (memos, minutes)).

Observation

- 1.1.3.3 During the audit, we observed that Management made payments amounting to \$30,859 for catering, house rental, DSA and transportations for Performance Based Financing (PBF) training in Grand Kru and Maryland Counties without evidence of Field/training Reports, participants attendance records and receipts of transportations allowance to validate the authenticity of the transactions.

Risk

- 1.1.3.4 Travel may be made for activities not related to the operations of the project using project funds. The objective of travel may not be achieved.
- 1.1.3.5 In the absence of adequate supporting documents, the validity, occurrence and accuracy of payments may not be assured. This may lead to misappropriation of the project's funds.
- 1.1.3.6 The absence of adequate supporting documentation for transactions may also lead to fraudulent financial management practices, through the processing and disbursement of illegitimate transactions.
- 1.1.3.7 Management may override the procurement processes by completing disbursement without utilizing the required procurement processes.

Recommendation

- 1.1.3.8 Management should institute the preparation of field/training reports consistent with Section 2.14 of the MoH Financial Policies and Procedures Manual. The report should be submitted within a week upon the staff return to the office. Evidence of the travel settlement forms, receipts, periodic field/training reports and all other relevant supporting records should be adequately documented and filed to facilitate future review.

- 1.1.3.9 Management should ensure that all transactions are supported by the requisite supporting documents consistent with the financial management regulations.
- 1.1.3.10 Documentation such as contracts, invoices, goods received notes, job completion certificates, purchase orders, payment vouchers etc. should be prepared and approved for the procurement of goods and services where applicable.
- 1.1.3.11 All relevant supporting records should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.3.12 *Kindly find attached the PBF Liquidation and Training Report. Please see Exhibit IV*

Auditor General's Position

- 1.1.3.13 We acknowledge Management subsequent submission of Field/training Reports, participants attendance records and receipts of transportations allowance after our audit execution. However, Management's provision of documents after our review, does not guarantee Management effective control of expenditure liquidation and document management.
- 1.1.3.14 Going forward, Management should ensure that requested documents for audit purposes are submitted in a timely manner.

1.1.4 Irregularities Associated with Bank Reconciliations

Criteria

- 1.1.4.1 Regulation R. 3 (6) of the Amendment and Restated Public Financial Management (PFM) Act of 2009 as amended and restated in 2019, requires that the balance of every bank account as shown in a bank statement 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.
- 1.1.4.2 Additionally, count 6.5.3 of the PFMU Financial Procedures Manual indicate that, the PFMU Manager shall ensure that all reconciliation differences are properly and promptly investigated with a view to regularize them. To this end, all bank reconciliation statement prepared by the Assistant Project Accountant (APA) shall be reviewed by the Internal Auditor and approved by the Unit Head or Senior Accountant".

Observation

- 1.1.4.3 During the audit, we observed the following irregularities associated with the preparation of monthly bank reconciliation statements at the project financial management office, various hospitals and county health teams. **See table 4 below for details.**

Table 4: Irregularities associated with bank reconciliations

No.	Facilities	Counties/Office	Discrepancies
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1.	Chief Jallah Lone/ Emirate Hospital	Gbarpolu	There was no evidence of monthly bank reconciliation statements prepared by the Management of the Chief Jallah Lone/Emirate Hospital for the PBF incentives received during the period under audit.
2.	ST. Francis Government Hospital/ Rivercess County Health Team	Rivercess	There was no evidence of monthly bank reconciliation statements prepared by the Management of the ST. Francis Government Hospital and Rivercess County Health Team for the PBF incentives received during the period under audit.
3.	Liberia Government Hospital	Bomi County	There was no evidence of monthly bank reconciliation statements prepared by the Management of the Liberia Government Hospital and County Health Team for the PBF incentives received during the period under audit.
4.	Redemption Hospital	Montserrado County	There was no evidence of monthly bank reconciliation statements prepared by the Management of the Redemption Hospital for the PBF incentives received during the period under audit.

Table 6: Irregularities associated with bank reconciliations at PFMU

No.	Description	Date	Ref.	Amount US\$	Discrepancies
1	PBF for Grand Kru County	20-Jul-23	2023/222	24,346.50	The amount was recorded on the outstanding cheque listing for the month of August, 2023. However, the amount could not be traced to both the bank statement, the ledger and the July and September outstanding check listing. Even though it appeared to be cleared in September 2023.
2	PBF for Rivercess County	20-Jul-23	2023/217	14,966.37	The amount was recorded on the outstanding cheque listing for the month of August, 2023. However, the amount could not be traced to the project ledger, the bank statements and outstanding check listing for July and September 2023. Even though it appeared to be cleared in September 2023.
3	PBF for Grand Kru County	20-Jul-23	2023/222	78,228.00	The amount was recorded in the outstanding cheque listing for the month of July, 2023, but could not be traced to the bank statement and August outstanding check listing. Even though it appeared to be cleared in August 2023.
4	Sinoe County PBF	20-Jul-23	2023/221	19,589.00	The amount was recorded in the outstanding cheque listing for the month of July and August, 2023, but could not

No.	Description	Date	Ref.	Amount US\$	Discrepancies
					be traced to the bank statement and September outstanding check listing. Even though it appeared to be cleared in September 2023.
5	Gbarpolu County PBF	20-Jul-23	2023/218	27,438.00	The amount was recorded in the outstanding cheque listing for the month of July and August, 2023, but could not be traced to the bank statement and September outstanding check listing. Even though it appeared to be cleared in September 2023.
6	PBF for Rivercess County	20-Jul-23	2023/17	20,438.00	The amount was recorded in the outstanding cheque listing for the month of July, 2023, but could not be traced to the bank statement and August 2023 outstanding check listing. Even though it appeared to be cleared in August 2023.
Total				185,005.87	

Risk

- 1.1.4.4 Failure to prepare/inadequate preparation of bank reconciliation statements may lead to untimely detection of errors, omissions and fraud. Management may not fully account for its transactions.

Recommendation

- 1.1.4.5 Management should ensure that monthly bank reconciliation statements are prepared for each account established by the project.
- 1.1.4.6 Monthly bank reconciliation statements should be prepared and approved by staff with the relevant qualification, experience, and seniority in a timely manner.
- 1.1.4.7 Management should facilitate comprehensive review of the bank statements and the cashbook. Errors identified should be investigated and adjusted where applicable in a timely manner.
- 1.1.4.8 Monthly bank reconciliation statements should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.4.9 *Some of the county health teams and hospitals have started the preparation of monthly bank*



reconciliation for their respective accounts.

- 1.1.4.10 *Bomi CHT has bank reconciliation statements for the period September 2023 to December 2023.*
- 1.1.4.11 *Liberian Government Hospital Bomi, Gbarpolu CHT, and Chief Jallah Lone/Emirate Hospital has reconciliation covering the period October to December 2023.*
- 1.1.4.12 *These reconciliations are attached for your review. Please see Exhibit V (A)*
- 1.1.4.13 *Management will follow up with other counties and hospitals implementing Performance Based Financing to prepare monthly bank reconciliations.*
- 1.1.4.14 *Table 6: (#2 & 6) The amount of US\$ 20,438.00 was posted for eleven (11) beneficiaries from Rivercess County. The beneficiaries include the County Health Team (CHT), the major Hospital and several Clinics. Each of them were apportioned separate amounts totaling US\$ 20,438.00*
- 1.1.4.15 *This transaction was recorded in July 2023 but they did not clear in July 2023 so they appeared as Unpresented / Outstanding payment on the July 2023 Bank Reconciliation Statement.*
- 1.1.4.16 *In August 2023, seven (7) of the eleven (11) beneficiaries payments totaling US\$ 5,471.63 were paid leaving the amount of US\$ 14,966.37*
- 1.1.4.17 *In September 2023, the remaining four (4) beneficiaries were paid a total of US\$ 14,966.37*
- 1.1.4.18 *That is why the Auditor did not see the amount reappearing in September 2023.*
- 1.1.4.19 *Kindly find attached spreadsheet and bank statements with clear description of issues relating to the transaction. Please see Exhibit V (B)Table 6: (#1 & 3) Same as the explanation above.*
- 1.1.4.20 *The amount of US\$ 78,228.00 was posted for twenty – two (24) beneficiaries from Grand Kru County. The beneficiaries include the County Health Team (CHT), the two (2) major Hospitals and several Clinics. Each of them were apportioned separate amounts totaling US\$ 78,228.00*
- 1.1.4.21 *This transaction was recorded in July 2023 but they did not clear in July 2023 so they appeared as Unpresented / Outstanding payment on the July 2023 Bank Reconciliation Statement.*
- 1.1.4.22 *In August 2023, twenty (20) of the twenty – four (24) beneficiaries payments totaling US\$ 53,881.50 were paid leaving the amount of US\$ 24,346.50*
- 1.1.4.23 *In September 2023, the remaining four (4) beneficiaries were paid a total of US\$ 24,346.50*
- 1.1.4.24 *That is why the Auditor did not see the amount reappearing in September 2023.*

- 1.1.4.25 *Kindly find attached spreadsheet and bank statements with clear description of issues relating to the transaction. Please see Exhibit V (C)The same can be said for Sinoe County PBF (#4 – Exhibit V (D)) and Gbarpolu County PBF (#5 – Exhibit V (E)). The transactions were all recorded in July 2023 but did not clear in July 2023. Some of them cleared in August 2023 and the last ones cleared in September 2023. That is why the Auditor did not see the amount reappearing in September 2023.*

Auditor General's Position

- 1.1.4.26 We acknowledge Management's acceptance of our findings, recommendations and subsequent submission of some bank reconciliation statements. We will follow-up on the implementation of our recommendations during subsequent audit.
- 1.1.4.27 Management's assertions on the subsequent clearance of outstanding reconciling items on the bank reconciliation statements are hereby acknowledged.

1.1.5 Payment without Field and Liquidation Reports

Criteria

- 1.1.5.1 Section 2.14 of the MoH Financial Policies and Procedures Manual required that Donor funds transferred to programs, CHTs, hospitals, or any other MoH-sponsored institutions, shall be accounted for as an advance disbursed. On consolidation of financial reports from programs, CHTs, hospitals, or any other MoH-sponsored institutions, expenditures incurred by the programs, shall be offset against the advances received by these programs/institutions. MoH's "advances disbursed" accounts shall be cleared as institutions report their expenditures against the advances they received.
- 1.1.5.2 Additionally, MoH Financial Policies and Procedures Manual required that Management should establish procedures to ensure maintenance of complete and adequate records of transactions, senior management decisions, and other key events, including accounting source documents (journal/day book, ledgers, reconciliation and related management records (memos, minutes).

Observation

- 1.1.5.3 During the audit, we observed that Management disbursed the total amount of US\$59,946.83 to staff of the project for implementation activities.
- 1.1.5.4 The amount was paid for the purchase of fuel, communication cards and allowances for project implementation in the counties without evidence of field and liquidation reports to validate the authenticity of the transactions.

Table 5: Payment without Field and Liquidation Reports

NO.	PV Number	Payee	Description	comment	Amount US\$
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NO.	PV Number	Payee	Description	comment	Amount US\$
1	2023/230	Petro Trade	Payment representing the delivery of 518 gallons of fuel to be used to facilitate the movement of the central level Family health Division Team that is expected to conduct quarter-11 technical supportive supervision in Bomi, Rivercess, Gboarpolu, Sinoe, Grandkru and Maryland counties	No distribution Report, no Vehicle Log	2,302.56
2	2023/231	Petro Trade	Payment representing the delivery of 25 gallons of fuel to be used to facilitate the movement of the PIU team that participated in the meeting on the validation of the data demand and information Use(DDIU) recently held in Bechana	No distribution Report, no Vehicle Log	122.52
3	2023/263	Petro Trade	Payment for the delivery of 518galoons of diesel fuel to be used by the central and county level teams that expected to conduct quarter III monitoring and supportive supervision on maternal and perinatal Death surveillance and response(MPDSR) in Bomi, Gbarpolu, Rivercess, Sinoe, Grandkru and Maryland counties	No distribution Report, no Vehicle Log	2,476.92
4	2023/266	Raj Enterprise Inc	Payment for the delivery of 300 pcs of communication cards to be used by the county Health services unit for February-July 2023	No distribution List	1,470

N0.	PV Number	Payee	Description	comment	Amount US\$
5	2023/271	Petro Trade	Payment for the delivery of 528 gallons of diesel fuel to be used by the central level M&E unit that is expected to conduct monitoring visits in Bomi, Gbarpolu, Rivercess, Sinoe, Grand kru and Maryland counties	No distribution Report, no Vehicle Log	2,524.74
6	2023/277	Raj Enterprise Inc	Payment for the delivery of 95pcs of communication cards to be used by the Health information system Team that are expected to conduct semi-annual counter Data verification exercise in Bomi, Gbarpolu, Rivercess, Sinoe, Grandkru and maryland counties	No distribution List	465.50
7	2023/289	M.S.D Business center	Payment for the delivery of 270 pcs of communication cards to be used by the department of Administration from February to April 2023	No distribution list	1,296.00
8	2023/290	M.S.D Business center	payment for the delivery of 170 pcs of communication cards to be used by the community health service Division from February to April 2023	No distribution list	816.00
9	MOH-IFISH/2023/291	M.S.D Business center	payment for the delivery of 150 pcs of communication cards to be used by the Human Resource Division from February to April 2023	No distribution List	720.00
10	MOH-IFISH/2023/292	M.S.D Business center	payment for the delivery of 180 pcs of communication cards to be used by the Health Financing Unit from February to April 2023	No distribution List	864.00

NO.	PV Number	Payee	Description	comment	Amount US\$
11	MOH- IFISH/2023/30 1	Petro Trade	payment for the delivery of 200 gallons of diesel fuel to be used by the community service Division to facilitate the movement of the joint central and county level community health teams that are expected to conduct distribution of CHSS and CHA working materials and supplies in Grand cape mount and Gbarpolu counties	No distribution report, no vehicle log	956.34
12	2023/302	Petro Trade	payment for the delivery of 457 gallons of fuel for used by the community Health Services unit to facilitate the movement of the central level county health services Team that are expected to partake in the quarterly (July to September 2023) review meeting in Sinoe, Bomi, Maryland, Rivrcess, Grand kru and Gbarpolu counties	No field report	5,700.00
13	2023/303	Petro Trade	payment for the delivery of 457 gallons of diesel fuel to be used by the central level M&E unit that is expected to conduct supervision and mentorship on data use and performances score monitoring in Bomi, Gbarpolu, Rivercess, Sinoe,Grand kru and Maryland counties	No distribution report, No Vehicle Log	2,510.39
14	2023/304	Petro Trade	payment for the delivery of 190 gallons of diesel fuel to be used by the Family Health services team to	No distribution report, no vehicle Log	908.52

N0.	PV Number	Payee	Description	comment	Amount US\$
			facilitate the family health division team to conduct sensitization to parents teachers association to establish and strengthen existing adolescent youth club in secondary Bomi, rivercess and Gbarpolu counties		
15	2023/305	Petro Trade	payment for the delivery of 621gallons of diesel fuel to be used by the supply chain management unit to facilitate the movement of the central and county level supply chain management Team that are expected to conduct quarter-II verification exercises in Bomi, Gbarpolu, Sinoe, Maryland since and Rivercess counties	No liquidation report/ no vehicle log	3,447.61
16	2023/309	Raj Enterprise Inc	payment for the delivery of 300pcs of communication cards to be used by the monitoring and Evaluation unit from July to December 2023	No distribution List	1,470.00
17	2023/076	Petro Trade	Payment for the delivery of 185 gallons of diesel fuel to be used by the Joint Performance Based Financing (PBF) and Project Implementation Team to facilitate movement during PBF Mattings in Montserrado, Bomi, Maryland and Grand Kru Counties	No liquidation Report/ Vehicle Log	978.85
18	2023/078	Petro Trade	Payment for the delivery of 607 gallons of diesel fuel to	No liquidation Report/	3,214.98



NO.	PV Number	Payee	Description	comment	Amount US\$
			be used by the county Health Service Unit for Quarter: February-April 2023	Vehicle Log	
19	2023/099	Petro Trade	Payment for the delivery of 301 gallons of diesel fuel to be used to facilitate the movement of the project implementation unit team for upcoming stakeholders engagement meetings in Bomi, Gbarpolu, Rivercess, Sinoe, Grand Kru & Buchanan, Grand Bassa under the IFISH project.	No liquidation report/ Vehicle Log	1,555.51
20	2023/101	Petro Trade	Payment for the delivery of 54 gallons of diesel fuel to be used to facilitate the movement of the central level team and community health focal person to conduct supervision and monitoring of the community CHAP in Grand Mount County.	No liquidation report/ Vehicle Log	279.06
21	2023/105	Petro Trade	Payment for the delivery of 312 gallons of diesel fuel to be used by the Central Level Teams that are expected to conduct Quarter-II monitoring and supportive supervision on Maternal and perinatal Death Surveillance and Response (MPDSR) in Bomi, Gbarpolu, Rivercess, Sinoe, Grand Kru and Maryland Counties.	No liquidation report/ Vehicle Log	7,803.38
22	2023/106	Petro Trade	Payment for the delivery of 110 gallons of diesel fuel to be used by the family	No liquidation report/ Vehicle Log	568.46

NO.	PV Number	Payee	Description	comment	Amount US\$
			Health Service Team to facilitate movement and support generators and upcoming Inception meetings with all partners and stakeholders in Bomi, Gbarpolu, and Rivercess Counties.		
23	2023/115	Petro Trade	Payment for delivery of 210 gallons of diesel fuel to be used by the Monitoring and Evaluation Unit for the Quarter:February-April2023	No Liquidation Report/ Vehicle Log	1,112.26
24	2023/119	Eugene F.Miller Nyenekon C. Won Mortor L. Richards	Payment as lunch for County Level Staff that are expected to conduct Quarterly Verification and Monitoring Exercise in Bomi, Gbarpolu, Sinoe, Grand Kru and Maryland Counties.	No liquidation report/ Vehicle Log	580.00
25	2023/150	Petro Trade	Payment for delivery of 275 gallons of diesel fuel to be used by the central Level Family Health Division Team to facilitate movement of the Central Level Family Health Division Team and support the running of the County Health Teams Generators during the Training for Out-Of-School Youth on ASRH in Bomi, Gbarpolu and Rivercess Counties.	No liquidation report/ Vehicle Log	1,421.15
26	2023/151	Petro Trade	Payment for the delivery of 59 gallons of diesel to be used to facilitate the movement of the Central Level Team and Community Health Focal Person to conduct supervision and	No liquidation report/ Vehicle Log	304.90

NO.	PV Number	Payee	Description	comment	Amount US\$
			Monitoring of the community CHAP in Gbarpolu County.		
27	2023/152	Petro Trade	Payment for the delivery of 360 gallons of diesel fuel to facilitate the movement of the participants that are expected to attend a 3 day validation meeting to validate data demand and information use reference guide in Buchanna, Grand Bassa County.	No liquidation report/ Vehicle Log	1,860.41
28	2023/153	Petro Trade	Payment for delivery of 621 gallons of diesel fuel to facilitate the movement of the Central and County Level Supply Chain Management Team that are expected to conduct Quarterly Verification exercise in Bomi, Gbarpolu, Sinoe, Maryland, Sinoe and Rivercess County.	No liquidation report/ Vehicle Log	3,209.20
29	2023/178	Jemimah Browne	Payment represented DSA and Transportation Allowance to County Level Participants to attend Training Owners and Dispensers in private pharmacies and medicine store to provide quality FP Services to Adolescents in Rivercess County.	No signed off sheet	1,500.00
30	2023/211	Petro Trade	Payment for 932 gallons of fuel to be used by the Central Level Team that is expected to conducted Quarter II Technical Supportive Supervision in Margibi, Grand Bassa,	No distribution Report, no Vehicle Log.	4,567.27

NO.	PV Number	Payee	Description	comment	Amount US\$
			Rivercess and Sinoe Counties.		
31	2023/212	Petro Trade	Payment for 600 gallons of fuel to be used by the central Level Team that is expected to conduct Quarter II Technical Supportive Supervision and Employee Verification in Margibi, Grand Bassa, Rivercess and Sinoe Counties	No distribution Report, no Vehicle Log.	2,940.30
	Total				59,946.83

Risk

- 1.1.5.5 If cash advances for project activities are not liquidated after the utilization of the fund, misappropriation of project funds may not be detected when it occurs.
- 1.1.5.6 In the absence of liquidation reports, cash advances may not be used for their intended purposes leading to misappropriation of project funds.
- 1.1.5.7 The authenticity and legitimacy of expenditures may be impaired in the absence of liquidation reports.

Recommendation

- 1.1.5.8 Management should account for cash advances disbursed without evidence of liquidation reports by submitting periodic liquidation reports to the Office of the Auditor General as part of Management's response to this Management Letter.
- 1.1.5.9 Going forward, Management should ensure that all advance payments are adequately liquidated/ retired as prescribed by the MoH Financial Procedures Manual before subsequent cash advances.
- 1.1.5.10 Evidence of approved liquidation reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.5.11 *Kindly find attached copies of liquidation and utilization reports attached to the Original Payment Vouchers. **Please see Exhibit VI.***

Auditor General's position

- 1.1.5.12 We acknowledge Management subsequent submission of liquidation and utilization reports after our audit execution. However, Management's provision of documents after our review,

does not guarantee Management effective control of expenditure liquidation and document management.

- 1.1.5.13 Going forward, Management should ensure that requested documents for audit purposes are submitted in a timely manner.

1.1.6 Stale Checks

Criteria

- 1.1.6.1 Section 6 paragraph 6.5.1 of the PFMU Financial Procedure Manuel states," the cash book shall be reconciled monthly to the bank statement within 10 working days of the month end. Difference deriving there from shall be investigated and resolved promptly. Unpresented checks will be written back in the project's books of account one month after the negotiable period of six (6) months has elapsed."
- 1.1.6.2 Additionally, Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011 stipulates: "within 10 days after the last day of the month, payer described in (a) is required to remit to the tax authorities the total amount required to be withheld during the month", and (m) stipulates "a person who has a withholding obligation under this section and fails to withhold and remit the amount of tax required to be withheld is subject to Section 52 penalty for late payment and failure to pay".

Observation

- 1.1.6.3 During the audit, we observed that several checks amounting to US\$6,489.49 were issued beyond the statutory period and has not been cashed by the respective payees as at December 31, 2023. **See table 6 below for details**

Table 6: Checks outstanding for more than six (6) months

#	Date	Description	Month O/S	Amount US\$
1	June 9, 2023	General Revenue(Payee	7months	4,490.97
2	October 25, 2022	Revenue Tax(Payee)	10 months	1,381.35
3	April 6, 2023	General Revenue	8months	617.17
Total				6,489.49

Risk

- 1.1.6.4 Management may be non-compliant with Regulations R.6 and R.7 of the PFM Act of 2009 as Amended and Restated 2019.
- 1.1.6.5 Outstanding checks for over six months may lead to understatement of the cash book and the financial statements.

Recommendation

- 1.1.6.6 Management should perform a comprehensive review of all outstanding cheques issued

beyond the statutory period, notify legitimate payees to return overdue legitimate cheques, cancel/ perforate the overdue cheques and reissue same consistent with Regulation R.7 of the PFM Act of 2009 as Amended and Restated 2019.

- 1.1.6.7 The cashbook should be adjusted accordingly to reflect the reversals and the comprehensive details of the new cheques issued.
- 1.1.6.8 Evidence of cancelled cheques and journal vouchers for reversals to the cashbook should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.6.9 *The payments referenced are not checks. These were transfers that were placed on Ecobank Online Platform (Omni) for the payment of taxes. Some of them were cleared within six(6) months, others were cleared after six (6) months.*

Auditor General's Position

- 1.1.6.10 Management assertions were not supported by documentary evidence. Therefore, our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.1.7 Irregularities Associated with the Management of the Project Assets

Criteria

- 1.1.7.1 Section seven (7) F of the Ministry of Health Fixed Assets & Warehouse Management Standard Operating Procedures (SOPs) Manual requires that Fixed Assets Register be maintained, updated and the results of the physical count should be used to update the Fixed Asset Register. Differences between actual and recorded assets should be reconciled. The report of the physical count shall be reviewed and reconciled by the Fixed Asset Accountant and Internal Audit. Discrepancies that cannot be reconciled must be brought to the attention of senior management.
- 1.1.7.2 Additionally, Regulations V.4 (2) of the PFM Act of 2009 and revised in 2019 states that, "The master inventory shall record under each category of item:
 - the date and other details of the voucher or other document on which the items were received or issued;
 - their serial numbers where appropriate; and
 - their distribution to individual locations and the total quantity held."

Observation

- 1.1.7.3 During the audit, we observed the following irregularities associated with the project's assets management system at Project Implementation Unit and various health facilities in the counties:
 - The fixed assets register did not contain all the relevant columns.

- The fixed assets register was not regularly updated.
- There was no evidence of periodic physical verification of assets by Management
- There was no evidence of movement of assets form.
- Some of the project's fixed assets were not coded.
- Fixed assets within a given vicinity were not displayed as required by the PFM Act.
- There was no evidence of assets schedule acquired under the PBF from the Chief Jallone/ Emirate's Hospital.
- Two (2) of the Honda bikes assigned to Gbarpolu County were not made available for audit verification.
- The serial number recorded in the assets schedule did not match with some Honda bike assigned in Gbarpolu County. **See table 7 and 8 and 9 below for details**

Table 7: Project Assets without location and assignee

Date of Receipt/Purchase	Asset Type	Asset Description	Asset Value/Cost \$	Asset Identification	Asset Location	Assignee
				Asset ID/Code		
13-Jun-23	Printer	HP LaserJet M283 FDW Color Multi Function Printer	2,100.00	FAM007881	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008161	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008145	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008134	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008132	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008108	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008109	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008106	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008107	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008104	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008105	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008102	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008103	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008100	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008101	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008098	No	No assignee

Date of Receipt/Purchase	Asset Type	Asset Description	Asset Value/Cost \$	Asset Identification	Asset Location	Assignee
				Asset ID/Code		
					location	
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008099	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008096	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008097	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008094	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008095	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008093	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008091	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008092	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008089	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008090	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008088	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008086	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008087	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008084	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008085	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008082	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008083	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008080	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008081	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008078	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008079	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008076	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008077	No location	No assignee

Date of Receipt/Purchase	Asset Type	Asset Description	Asset Value/Cost \$	Asset Identification	Asset Location	Assignee
				Asset ID/Code		
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008074	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008075	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008072	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008073	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008070	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008071	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008068	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008069	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008066	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008067	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008064	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008065	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008062	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008063	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008060	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008061	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008058	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008059	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008056	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008057	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008054	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008055	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008053	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008051	No	No assignee

Date of Receipt/Purchase	Asset Type	Asset Description	Asset Value/Cost \$	Asset Identification	Asset Location	Assignee
				Asset ID/Code		
					location	
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008052	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008050	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008048	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008049	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008046	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008047	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008044	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008045	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008042	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008043	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008040	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008041	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008038	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008039	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008036	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008037	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008035	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008034	No location	No assignee
29-Sep-23	Motorbike	Honda XR150	3,650.00	FAM008033	No location	No assignee
21-Nov-23	Vehicle	Landcruiser Hardtop Pickup 4x4 Pickup	48,900.00	FAM008206	No location	No assignee
21-Nov-23	Vehicle	Landcruiser Hardtop Pickup 4x4 Pickup	48,900.00	FAM008205	No location	No assignee
21-Nov-23	Vehicle	Landcruiser Hardtop Pickup 4x4 Pickup	48,900.00	FAM008204	No location	No assignee

Table 10: Honda bikes not provided for audit verification

#	Assets Types	Assignee	Serial Number
1.	Honda bikes	Martor K. Gbaglea	LTMKD1191P5118527
2.	Honda bikes	Jowola Diggs	LTMKD1191P5118530

Table 11: Serial number indicated in assets schedule did not match with serial number recorded on the bikes

#	Assets Types	Assets Code	Assignee	Serial Number recorded in assets register	Serial Number indicated on bikes
1.	Honda -XR150 Bike	FAM008164	Dee G. Tahmen	LTMKD1190P5118521	LTMKD1199P5118484
2.	Honda -XR150 Bike	FAM008131	Princess S. Smith	LTMKD1190P5118499	LTMKD1197P5118533
3.	Honda -XR150 Bike	FAM008127	Mama J Mawolo	LTMKD1196P5118491	LTMKD1198P5118492
4.	Honda -XR150 Bike	FAM008124	Thelma Daniel	LTMKD1198P5118492	LTMKD1196P5118491
5.	Honda -XR150 Bike	FAM008114	Maude K. Kerkula	LTMKD1193P5118576	LTMKD1190P5118504

Risk

- 1.1.7.4 Fixed Assets Register may be misstated (Over/understated).
- 1.1.7.5 Assets may be damaged or impaired but their values are still on the books.
- 1.1.7.6 Fixed assets may be removed from the entity's premises without authorization, misappropriated, subjected to personal use or theft.
- 1.1.7.7 The lack of asset movement log could make it difficult to keep track of assigned or transferred assets, which may lead to misuse, loss or theft of assets without being noticed.
- 1.1.7.8 Failure to properly account for fixed assets may lead to theft and misapplication of equipment/materials. This may result in the non-achievement of the project's objectives.
- 1.1.7.9 Fixed Assets not coded may be susceptible to theft or diverted to personal use.

Recommendation

- 1.1.7.10 Management should ensure that the fixed assets register is updated to reflect the following; description, source of purchase, date of purchase, class, code, assignee, location, condition, original cost, depreciation expense, accumulated depreciation, net book value and disposal history of the asset.
- 1.1.7.11 Management should initiate/enforce a systematic fixed assets coding system to ensure all fixed assets are uniquely identified. This control will facilitate the efficient and effective periodic fixed asset verification exercises. Discrepancies in coding identified during

verification should be updated in a timely manner.

- 1.1.7.12 The Fixed Assets Register should be updated periodically to reflect all the project's assets.
- 1.1.7.13 Management should conduct periodic fixed assets count and /or verification to determine the current condition and location of the assets. Evidence of periodic physical verification should be adequately documented and filed to facilitate future review.
- 1.1.7.14
- 1.1.7.15 Fixed assets within particular vicinity should be clearly displayed as required by the PFM Act.
- 1.1.7.16 Qws A Movement of Asset Form should be filled and authorized before assets are moved from one location to another. The Fixed Asset Register should be updated to reflect the change in location of asset.

Management's Response

- 1.1.7.17 *As per the auditor's recommendation, the fixed assets register has been updated to include the recommended headings except for depreciation and accumulated depreciation because the project is using the IPSAS cash basis for reporting.*
- 1.1.7.18 *Table 7 (Project Assets without location and assignee): This was a result of sharing the wrong file with the auditor. However, the corrected file was later shared with the auditor. We are surprised that this is still being reflected in the audit report. Please see attached the revised file that was shared with the auditor. **Please see Exhibit VII***
- 1.1.7.19 *Table 10 (Honda bikes not provided for audit verification): The assignees were attending training in another county when the verification was conducted. Those bikes were seen during Management fixed assets verification. They are also on the updated Fixed Assets Register. **Please see Exhibit VII***
- 1.1.7.20 *Table 11 (Serial number indicated in assets schedule did not match with serial number recorded on the bikes): This was as a result of error during the coding and distribution of the assets. Management will do the necessary correction identified by the auditor.*
- 1.1.7.21 *We are also pleased to inform you that management conducted physical verification of the fixed assets that resulted in identifying and updating the register and reflecting old and damaged assets, which were kept on the register pending the authorization from the management to authorize the disposal of these assets as required by GSA regulations. **Please see Exhibit VII***

Auditor General's Position

- 1.1.7.22 We acknowledge Management's assertion relative to the use of the IPSAS Cash Basis Financial Reporting Framework, thereby limiting the need for depreciation, accumulated depreciation and net book value disclosures in the fixed assets register. However, the IPSAS Cash Basis Financial Reporting Framework was approved by the Government of Liberia for

subsequent adoption and transition to the IPSAS Accrual. To facilitate the efficient roll-out as planned, the disclosures of depreciation, accumulated depreciation and net book value are required and thereby encouraged. Relative to fixed assets unverified and not coded, in the absence of existing evidence we maintain our findings and recommendations. Also, Management did not respond to other discrepancies identified.

- 1.1.7.23 Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.1.8 No Statement of Responsibility Included in the Financial Statements

Criteria

- 1.1.8.1 During the adoption of IPSAS Cash Basis by the Government of Liberia in 2009, The Government of Liberia mandated all Ministries and Agencies to present the Statement of Responsibilities in financial reporting as well as fulfilling the mandatory requirements of Part 1 of this Standard.

Observation

- 1.1.8.2 During the audit, we observed that Management did not disclose in the project financial statements, a statement of responsibilities as required by the Public Financial Management Act of 2009 and in compliance with Cash Basis International Public Sector Accounting Standards (Cash IPSAS), adopted by the Government of Liberia.

Risk

- 1.1.8.3 Ownership, fair presentation and full disclosure of the financial statements may be impaired.

Recommendation

- 1.1.8.4 Management should adjust the financial statements and include the statement of responsibilities. The adjusted financial statements should be forwarded to the Office of the Auditor General as part of Management's response to this Management Letter.
- 1.1.8.5 Going forward, Management should fully disclose in the financial statements a statement of responsibilities as required by the Cash Basis International Public Sector Accounting Standards, adopted by the Government of Liberia.
- 1.1.8.6 The financial statements should be comprehensively reviewed by senior personnel with the relevant qualification and experience to ensure that all components of the financial statements are included accordingly.

Management's Response

This was subsequently addressed in the revised financial statements. Please see Exhibit II

Auditor General's Position

- 1.1.8.7 We acknowledge Management's acceptance of our findings, recommendations and

subsequent adjustment of the financial statements.

1.1.9 Payments made on the Same Voucher

Criteria

- 1.1.9.1 Section 8.3.2 of the PFMU Financial Manual requires that, A good filing system must be maintained at PFMU and the implementation units to keep custody of the records. Therefore, the main objective of the filing system is to ensure that the accounting document are filed in logical sequence, so as to facilities retrieval, supporting financial reports and help to establish a clear audit trail and provide feedback regarding the accuracy of the financial reports. All accounting records shall be kept at the PFMU in a safe storage for audit and legal purpose. The PFMU shall maintain a register to monitor the movement of such record. Separate files will be maintained in the PFMU in respect of payment vouchers showing the following detail:
- Voucher number, (specifying rang i.e., from-to-.)
 - Period (month)
 - Financial year,
 - Name of project/program

Observation

- 1.1.9.2 During the audit, we observed that payments amounting to US\$91,392 made to six (6) clients on different dates but were paid on the same voucher numbers. **See table 12 below for details.**

Table 12: Payments made on the same Voucher

Date	Voucher #	Description	Amount US\$
10/3/2023	2023/265	Repair of vehicle -Cerra Auto	4,462.00
8/14/2023	2023/265	Comm. Cards. Raj Enterprise	882.00
8/15/2023	2023/267	Scratch cards supplies Raj Enterprise	735.00
10/6/2023	2023/267	Supp of motor-bike-United M	42,924.00
2/21/2023	2023/025	Operation supp -Gbarpo Count	41,964.00
2/28/2023	2023/025	Operation supp from CHE-A.Tamb	425.00
Total			91,392.00

Risk

- 1.1.9.3 Multiple payments may be made for a single a transaction leading to misappropriation of project's funds.
- 1.1.9.4 Effective reconciliation and review of financial transactions may be impaired.
- 1.1.9.5 The legitimacy of the transactions may be impaired.

Recommendation

- 1.1.9.6 Management should ensure that all payment vouchers are serially and uniquely pre-

numbered, before the processing of transactions. The payment vouchers should be subsequently reviewed and authorized to ensure that the vouchers are adequately coded.

Management's Response

- 1.1.9.7 *The PFMU uses the Sun Systems 4.26 to process financial transactions for all projects, except preparation of payment vouchers (PVs). At the moment the PFMU uses Microsoft words to raise all payment vouchers (PVs) for all projects which is basically manual. Repetition hardly occurs unless there's power fluctuation or outage.*
- 1.1.9.8 *The PFMU has made frantic efforts by sharing this short coming of the System with the development partners over years.*
- 1.1.9.9 *Hence, the Partners have provided funding for all donor financed projects to be migrated into the IFMIS system, via Free- Balance Software and the process is ongoing.*
- 1.1.9.10 *The table referenced is a matrix of PVs repeating, but no evidence of double, over or under payment to any party. We acknowledge this and will avoid future occurrence.*

Auditor General's Position

- 1.1.9.11 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.1.10 Lack of Signing Dates of the Interim Financial Reports

Criteria

- 1.1.10.1 Section 4.11.5 of the PFMU Financial Procedures Manual of 2020 required that at the end of every quarter, Interim Financial Report shall be prepared for all projects by the PFMU with in forty-five (45) days.
- 1.1.10.2 Additionally, Paragraph 1.4.5. of the Revised Cash Basis IPSAS (November 2017) states "An entity shall disclose the date when the financial statements were authorized for issue and who gave the authorization. If another body has the power to amend the financial statements after issuance, the entity shall disclose that fact.

Observation

- 1.1.10.3 During the audit, we observed that the interim financial Reports (IFRs) of the project signed by the Director of Donor Funded Projects and the Project Implementation Unit Manager did not specify the dates of preparation and approval of the IFRs.

Risk

1.1.10.4 Management may be non-compliant with Section 4.11.5 of the PFMU Financial Procedures Manual of 2020 and Paragraph 1.4.5. of the IPSAS Cash basis of reporting.

1.1.10.5 In the absence of the date of preparation and approval of the financial statements, the timely preparation of the financial statements may not be assured.

Recommendation

1.1.10.6 Management should adjust the financial statements to include the dates of preparation and approval of the financial statements adjacent to the signatures of the authorizers. The adjusted financial statements should be forwarded to the Office of the Auditor General as part of Management's response to this Management Letter.

1.1.10.7 Going forward, Management should include the dates of preparation and approval of the financial statements adjacent to the signatures of the authorizers.

Management's Response

1.1.10.8 *This was subsequently addressed in the revised financial statements. Please see Exhibit II*

Auditor General's Position

1.1.10.9 We acknowledge Management's acceptance of our findings, recommendations and subsequent adjustment of the financial statements.

1.1.11 No Evidence of Performance Based Financing (PBF) Quarterly Incentive Business Plan

Criteria

1.1.11.1 Article 10 of the PBF Agreement requires that the Hospital Medical Director and Administrator should ensure that all payments made to staff and other beneficiaries are signed and supported with a PBF Business Plan.

Observation

1.1.11.2 During the audit, we observed no evidence of quarterly PBF Incentive Business Plans at the Emirates Hospital in Bopolu for the effective implementation of the PBF Program as required.

Risk

1.1.11.3 Management may be non-compliant with Article 10 of the PBF Agreement.

1.1.11.4 In the absence of a business plan, Management may undertake activities that may not be aligned with the project overall strategic objectives.

Recommendation

1.1.11.5 Management should facilitate the timely preparation and approval of the PBF Incentive Business Plan to ensure effective operations of health-related projects.

- 1.1.11.6 The prepared and approved business plan should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.11.7 *Kindly note that for the quarter; January to March 2023, there was no PBF implementation as per the new PBF arrangement.*
- 1.1.11.8 *For the quarter; April to June 2023, the business plan was in the name Chief Jallonlone Hospital. The Emirates business plan covers two quarters; July to December 2023, which were prepared and approved. Please see the attached copies of the business plans for your review. Please see Exhibit VIII*

Auditor General's Position

- 1.1.11.9 We acknowledge Management's subsequent submission of copies of business plans, after our audit execution. However, Management's provision of documents after our review, does not guarantee Management effective control of expenditure liquidation and document management.
- 1.1.11.10 Going forward, Management should ensure that requested documents for audit purposes are submitted in a timely manner.

1.1.12 Delay in IFISH Project Implementation

Criteria

- 1.1.12.1 According to the IFISH Project Implementation Manual, The IFISH Project was approved by the World Bank on May 21, 2020 and became effective on February 2, 2021. The development objective (OPD) of the project is to improve health service delivery to women, children and adolescent in Liberia.

Observation

- 1.1.12.2 During the audit, we observed that the implementation of the project activities under "Improve Health Infrastructure, Improve Service Delivery and Institutional Strengthening to address key binding Constrains" have not been fully implemented in accordance with approved work plan.
- 1.1.12.3 The following activities have not been completed in accordance with approved timelines:
- i. Hiring of a hospital management consultant to develop a business and operational plan for the New Redemption Hospital (NRH);
 - ii. Finalization of the procurement for the rehabilitation of nursing and midwifery skills labs;
 - iii. Finalization of the PBF verification process for the period October to December 2023;

- iv. Conduct an actuarial assessment of the feasibility of health insurance
- v. Migration of the project's financial records to the IFMIS reporting software.

1.1.12.4 Consequently, our review of the project annual approved budget indicated significant variance/under disbursement between approved budget and actual expenditures incurred for the implementation of the project components mentioned above.

Risk

1.1.12.5 Untimely achievement of project deliverables may lead to additional expenditures (fixed costs) of the project.

1.1.12.6 Project objectives may not be achieved in the absence of effective project implementation and coordination.

1.1.12.7 The absence of effective monitoring and evaluation during the project may impair the achievement of value for money and the implementation of project deliverables.

Recommendation

1.1.12.8 Management should assess the current status of the work performed, the contractors' capacity to complete the project deliverables cataloged above, and update the Office of the Auditor General as part of Management's response to this Management Letter.

1.1.12.9 Going forward, Management should develop, approved and operationalize a work plan to facilitate the smooth implementation of service for all contractors. The work plan should comprehensively catalog phases of deliverables and corresponding payments required to implement each phase of approved deliverables. The work plan should be discussed and agreed with the contractors and included as supplementary documentation to the approved contracts. Management should ensure that the contractors submits a completion certificate upon completion of deliverables and validate the deliverables before further payments are made to Contractors.

1.1.12.10 Management should facilitate periodic monitoring and evaluation of project activities to ensure that services paid for are performed in a timely manner consistent with approved work plans and contracts. **See table 13 below for details**

Table 13: Delayed in Project implementation

Activities with in components	Annual Approved Budget	Actual Expenditure US\$ (B)	Variance US\$	Percentage Variance
	US\$		C=(A-B)	%
	(A)			
Improve Health Infrastructure	500,203.00	422,596.00	77,607.00	16%

Activities with in components	Annual Approved Budget	Actual Expenditure US\$ (B)	Variance US\$	Percentage Variance
	US\$		C=(A-B)	%
	(A)			
Improve Service Delivery	900,978.00	866,480.00	34,498.00	4%
Institutional Strengthening to address key binding Constrains	2,155,103.00	2,101,930.00	53,173.00	2%
Project Management	5,000,000.00	2,155,103.00	2,844,897.00	57%
Total	8,556,284.00	5,546,109.00	3,010,175.00	

Management's Response

1.1.12.11 However, the delay in the project implementation was largely due to the restructuring of the project to include the additional financing. The additional financing was approved on October 14, 2022, and became effective on January 26, 2023, which resulted to implementation starting in late March of 2023. Additionally, the 2023 general and presidential elections also impacted the implementation. Ministers and Deputy Ministers who were signatories to the project account were involved with exercising their political franchise in different parts of the country.

Auditor General's Position

1.1.12.12 We acknowledge Management's acceptance of our findings, recommendations and subsequent adjustment of the financial statements.

1.1.13 Delay PBF Incentive Payments to Hospitals and Health Facilities

Criteria

1.1.13.1 Article seven (7) of the PBF Contract Agreement requires that the Project Management should ensure that PBF Incentives payments to Hospitals and other health facilities are made no later than 6 weeks after the end of each quarter. Performance payment should be deposited directly to the Hospital designated account.

Observation

1.1.13.2 During the audit, we observed that Management delayed the payments of the Performance Based Financing (PBF) Incentives to Hospitals and health facilities for the effective implementation of the program during the period under audit.

Risk

1.1.13.3 Payments may not be made to approved beneficiaries in a timely manner. This may impair productivity and the willingness of health workers to retain assignments in designated counties.

- 1.1.13.4 Delay in the payment of the PBF Incentives to health facilities may lead to the non-achievement of the project's objectives.

Recommendation

- 1.1.13.5 Management should provide substantive justification why the payments of the PBF Incentives to health facilities were delayed for the period under audit.
- 1.1.13.6 Going forward, Management should facilitate timely disbursement of PBF Incentives consistent with approved work plan and budget. Evidence of periodic disbursements of PBF incentives should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.13.7 *Delay payment of PBF incentives was largely due to the late recruitment of the verification agency and the late verification of quarterly PBF implementation to inform payment of incentives.*
- 1.1.13.8 *The delay is also associated with the elections and the transition given that most of the signatories were not available to approve payment.*
- 1.1.13.9 *Additionally, there were challenges with interbank transfer from our designated account to the various PBF beneficiaries' accounts.*

Auditor General's Position

- 1.1.13.10 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.1.14 Delay Incentive Payments-Community Health Service Division (CHSD)

Criteria

- 1.1.14.1 Section 3 of the IFISH Implementation Manual provides that once overall AWPBs has been approved and received no-objection from the WB. The PIU should notify the CHSD for commencement of activities. The CHSD should proceed to further notify the implementing County Health Teams. All request regarding the CHA program should be made by the CHSD to the PIU and approved by the immediate supervisory authority or designee. All request must have attached all supporting documentation including the approved work plan attached. Request submitted to PIU for authorization of disbursement should be reviewed in compliance to agreed work plan and supporting documentation. Authorization of payment shall be done by the PIU to the PFMU within maximum of three working days PFMU shall process activity payment and make disbursement within a duration of maximum five (5) working days consistent with the Financial Management Manual.

Observation

- 1.1.14.2 During the audit, we observed that Management delayed the payments of Community Health

Services Incentives to health facilities in Gbarpolu and Grand Cape mount Counties for the effective implementation of the program during the period under audit.

Risk

- 1.1.14.3 Payments may not be made to approved beneficiaries in a timely manner. This may impair productivity and the willingness of health workers to retain assignments in designated counties.
- 1.1.14.4 Delay in the payment of the Community Health Services Incentives to health facilities may lead to the non-achievement of the project's objectives.

Recommendation

- 1.1.14.5 Management should provide substantive justification why the payments of the Community Health Services Incentives to health facilities were delayed for the period under audit.
- 1.1.14.6 Going forward, Management should facilitate timely disbursement of Community Health Services Incentives consistent with approved work plan and budget. Evidence of periodic disbursements of Community Health Services Incentives should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.14.7 *The delay was due to the late submission of CHSSs and CHAs payrolls from the respective counties mentioned above. Going forward, management will follow up with the beneficiary counties to submit the payroll on time for processing.*

Auditor General's Position

- 1.1.14.8 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.1.15 Irregularities with Employees Attendance

Criteria

- 1.1.15.1 The Ministry of Health Financial Management Policies and Procedure Manual required that normal weekly working hours for all staff, except security, shall be from 09:00 a.m. to 17:00 p.m. Monday to Friday with a one-hour lunch break. The employee may be absent from work only with the prior consent of the employer, and where circumstances preclude this consent must be sought immediately afterward.

Observation

- 1.1.15.2 During the audit, we observed that some project staff were not signing the attendance log at the start and end of the work day. We observed instances where staff signed in but did not sign out after regular working hours.

Risk

1.1.15.3 Failure to maintain, monitor and supervise personnel attendance records may result to compensation of non-deserving employees. This practice may facilitate an inappropriate work culture for staff and may subsequently impair the operation and performance of the project.

1.1.15.4 Management may facilitate payments to illegitimate/non-existing personnel (ghost).

Recommendation

1.1.15.5 Management should ensure that personnel attendance records are maintained and regularly monitored by a designated staff and that employees should be reprimanded in line with The Ministry of Health Financial Management Policies and Procedure Manual for failing to report to work.

1.1.15.6 Human Resource should initiate periodic spot check to ascertain the accuracy of attendance records.

1.1.15.7 Evidence of daily attendance logs and monthly time sheets should be adequately documented and filed to facilitate future review.

Management's Response

1.1.15.8 *Management will ensure that personnel attendance records are properly maintained and regularly monitored by a designated staff.*

Auditor General's Position

1.1.15.9 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

STATUS OF PRIOR YEAR RECOMMENDATIONS (IFISH 2022)

Auditee: IFISH					
Implementation Level of Prior Year Audit Recommendations					
Paragraph #	Issues	Responsible Party	Recommendations	Level of Implementation by Auditee	Work Done
1.1.1	Unremitted taxes to the Liberia Revenue Authority (LRA)	IFISH Project Management	Management should provide substantive justification for not remitting withholding taxes to the LRA.	Unresolved	Internal Auditors at the PFMU informed the GAC Team that they are still working with the LRA to resolve the tax payment issues.
1.1.2	Variance between fuel purchased and distributed at C.B Dunbar Hospital		Management should provide substantive justification for the variance observed between the amount of fuel procured and the amount distributed.	Implemented	We verified from the Management of the C.B. Dunbar Hospital and observed that record of the fuel variance was provided.
1.1.4	Unexplained Material Variances	IFISH Project Management	Management should ensure that full and adequate disclosures are made for material variance(s) between the budget and actual amounts consistent with Part 1.7.8 of the	Unresolved	We review the project financial statements and observed the same issue repeated

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Auditee: IFISH					
Implementation Level of Prior Year Audit Recommendations					
Paragraph #	Issues	Responsible Party	Recommendations	Level of Implementation by Auditee	Work Done
			Revised Cash Basis IPSAS (November 2017).		
1.1.5	Variance between Telewoyan Cashbook and PBF Remittances	IFISH Project Management	Management should provide substantive justification for the variance observed between the PBF incentives remitted and the PBF incentives recorded in Telewoyan Cashbook for the period under audit. An automated control should be established such that transactions (along with supporting documents) recorded by a junior staff must be reviewed and approved by senior personnel before the transactions	Implemented	We review the updated cashbook of the hospital and observed that the variance has been adjusted in the cash book.



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Auditee: IFISH					
Implementation Level of Prior Year Audit Recommendations					
Paragraph #	Issues	Responsible Party	Recommendations	Level of Implementation by Auditee	Work Done
			appear in the cashbook.		
1.1.6	Signing date of the Financial Statements not specified	IFISH Project Management	Management should adjust the financial statements to include the date of preparation of the financial statements adjacent to the signatures of the authorizers.	Implemented	We review the project financial statements and observed that the signing date of the statements was included for both current and prior years.
1.1.8	Non – submission of Monthly Bank Reconciliation by Rivercess CHT	IFISH Project Management	Management should ensure that monthly bank reconciliation statements are prepared for each account established by the project. The bank reconciliation statements should indicate the name and title of the preparer and reviewer, as well as the date of preparation and review.	Unresolved	We visited the Rivercess County Health Team and observed that the same issue was repeated

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Auditee: IFISH	Implementation Level of Prior Year Audit Recommendations				
Paragraph #	Issues	Responsible Party	Recommendations	Level of Implementation by Auditee	Work Done
1.1.9	Payment vouchers not signed or acknowledged by beneficiaries	IFISH Project Management	Management should ensure that all payment vouchers are signed by the beneficiaries as acknowledgement of receipt of payments. Evidence of signed payment vouchers should be adequately documented and filed to facilitate future review.	Unresolved	We review many of the payment vouchers of the project and observed the same issue repeated
1.1.10	Delay in project implementation	IFISH Project Management	Management should ensure that deliverables are implemented in line with the project workplan. Management should facilitate adequate coordination, monitoring, and evaluation of project activities to ensure	Unresolved	We review the project budget and annual work plan and observed delay in the implementation of the project activities

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Auditee: IFISH					
Implementation Level of Prior Year Audit Recommendations					
Paragraph #	Issues	Responsible Party	Recommendations	Level of Implementation by Auditee	Work Done
			project deliverables are implemented in a timely manner.		
1.1.11	Delayed incentive payments – PBF	IFISH Project Management	Management should provide substantive justification why the payments of the PBF Incentives to health facilities were delayed for the period under audit. Management should ensure timely payments of PBF incentives to expedite the achievement of the project objectives.	Unresolved	We review the project budget and annual work plan and observed delay in the payment of the project incentive payments
1.1.12	Unapproved Business Plan at Chief Jallalone /Emirates	IFISH Project Management	Management should facilitate the timely approval of the draft business plan to ensure effective operations of health – related	Unresolved	We Visited the hospital and observed the same issue repeated.

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Auditee: IFISH					
Implementation Level of Prior Year Audit Recommendations					
Paragraph #	Issues	Responsible Party	Recommendations	Level of Implementation by Auditee	Work Done
	Hospital		projects. The approved business plan should be adequately documented and filed to facilitate future review.		
1.1.13	Lack of titles on payment vouchers and monthly bank reconciliation statements	IFISH Project Management	Management's assertion does not address the issue raised. Going forward, Management should ensure that the titles of the preparer, reviewer and approver are displayed on the payment vouchers and the Bank Reconciliation Statements. Therefore, we maintain our findings and recommendation. We will follow up on the implementation of our recommendation during	Partially resolved	We review the project bank reconciliation statements and the payment vouchers and observed that the only the issue with the bank reconciliation statements was resolved.

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Auditee: IFISH					
Implementation Level of Prior Year Audit Recommendations					
Paragraph #	Issues	Responsible Party	Recommendations	Level of Implementation by Auditee	Work Done
			subsequent audit.		
1.1.14	Error in the description of CORDAID payment requests	IFISH Project Management	Management should exercise due diligence in processing payment request in favor of contractors. The description of payments should be consistent with the nature and timing of transactions. A comprehensive review of all transactions by senior management should also be regularized.	Resolved	We verified the prior year payment request and observed that the issue has been resolved.
1.1.15	Delayed incentive payments – Community Health Service Division (CHSD)	IFISH Project Management	Management should provide substantive justification why the payments of the CHS Incentives to health facilities were delayed for the period under audit.	Resolved	We review the project document and ledger and observed delay in the payment of community Health Services Incentives.

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Audit of the Institutional Foundations to Improve Services for Health (IFISH) Project
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Auditee: IFISH					
Implementation Level of Prior Year Audit Recommendations					
Paragraph #	Issues	Responsible Party	Recommendations	Level of Implementation by Auditee	Work Done
			Management should ensure timely payments of CHS incentives to expedite the achievement of the project objectives.		