

**Management Letter**

**On the Financial Statements Audit of the Improving Results for Secondary Education  
Project (IRISE)**

*For the Year Ended December 31, 2024*



**Promoting Accountability of Public Resources**

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

**Monrovia, Liberia**

May 2025

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## Acronyms

Acronyms/Abbreviations	Meaning
CEA	Community Empowerment Approach
CFIP	Certified Forensic Investigation Professional
CFC	Certified Financial Consultant
DLI	Disbursement Link Indicators
DA	Designated Account
ESDC	Education Sector Development Committee
EEP	Eligible Expenditure Program
FCCA	Fellow Member of the Association of Chartered Certified Accountants
FAR	Fixed Asset Register
FASB	Financial Accounting Standards Board
GAC	General Auditing Commission
IRISE	Improving Results for Secondary Education Project
GOL	Government of Liberia
IA	Internal Audit
IAS	International Accounting Standards
IFR	Interim Financial Report
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standard
IIA	Institute of Internal Auditors
INTOSAI	International Organization of Supreme Audit Institutions
ISAs	International Standards on Auditing
ISSAIs	International Standards of Supreme Audit Institutions
JSS	Junior Secondary School
MFDP	Ministry of Finance and Development Planning
MoE	Ministry of Education
NGOs	Non-governmental Organizations
PFM	Public Financial Management
PFMU	Public Financial Management Unit
PFMM	Project Financial Management Manual
PDT	Project Delivery Team
PPCC	Public Procurement and Concession Commission
PRC	Procurement Review Committee
PIM	Project Implementation Manual
PIU	Project Implementation Unit (Same as PDT)
SMT	Senior Management Team
SMC	School Management Committee
SoE	Statement of Expenditure
SSS	Senior Secondary School
TA	Technical Assistance
TWG	Technical Working Group
US\$	United States Dollar
WB	World Bank

June 24 2025

Dr. Jarso Maley Jallah

**Minister**

Ministry of Education

Ministerial Complex

Monrovia, Liberia

Dear Hon. Jallah:

**MANAGEMENT LETTER ON THE FINANCIAL STATEMENTS AUDIT OF THE IMPROVING RESULTS FOR SECONDARY EDUCATION PROJECT (IRISE-P) FOR THE YEAR ENDED DECEMBER 31, 2024.**

The Financial Statements of the Increasing Results in Secondary Education Project (IRISE-P) are subject to audit by the Auditor General in terms of Section 2.1.3 of the General Auditing Commission (GAC) Act of 2014 as well as in accordance with the Engagement Terms of Reference.

**INTRODUCTION**

The financial statements audit of Increasing Results in Secondary Education Project (IRISE-P) for the year January 1, 2024 to December 31, 2024 is being completed and the purpose of this letter is to bring to your attention the findings that were revealed during the audit.

**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 Financial Statements 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 IRISE-P Management. Our responsibility is to express our opinion on these financial statements.

### Key Personnel of the Project

During the period under audit, the following key persons managed the affairs of the IRISE Project.

Name	Position	Tenure
Dr. Jarso Maley Jallah	Minister	2024-present
Joe Gbasakollie	Project Coordinator	2019- Present
Sudacious Varney	Finance Officer	2019 - Present

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

### APPRECIATION

We would like to express our appreciation for the courtesy extended and assistance rendered by the staff of IRISEP during the audit.

Sincerely,

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

**Monrovia, Liberia**  
June 2025

## 1 DETAILED FINDINGS AND RECOMMENDATIONS

### 1.1 Cash Management

#### 1.1.1 Unauthorized Withdrawal of Project Fund by UBA

##### Criteria

- 1.1.1.1 Section B.5 part 2 of the PFM Act of 2009 as Amended and Restated 2019 states that no monies shall be withdrawn from any public fund, other than the Consolidated Fund unless the issue of those monies has been authorized.

##### Observation

- 1.1.1.2 During the audit, we observed a withdrawal of US\$27,000.00 from the Community Empowerment Approach (CEA) account of William V.S. Tubman Public School located in Kpein, Nimba County without the prior knowledge and authorization of the account holder. We further observed that the school authority alerted the UBA Management about the unauthorized withdrawal but the bank had refunded only US\$25,000.00 as at the time of the audit. **See table 1 below for details.**

**Table 1: Unauthorized Withdrawal of Project fund by UBA**

Date	Description	Amount USD
	Unauthorized Withdrawal	27,000.00
11/12/2024	Refund	25,000.00
	Outstanding Amount	2,000.00

##### Risk

- 1.1.1.3 Unauthorized withdrawals may lead to misappropriation of project funds. This act may facilitate fraudulent financial management practices.
- 1.1.1.4 Untimely or inadequate reconciliation of the project bank accounts may lead to untimely detection of errors or omissions and fraud.
- 1.1.1.5 Inadequate refund of unauthorized withdrawal may lead to misappropriation of project funds. Funds may not be available to facilitate authorized project activities.

##### Recommendation

- 1.1.1.6 Management should account for the outstanding US\$2,000.00 not remitted to the school project bank account as a result of the unauthorized withdrawal cataloged in table 1 above.
- 1.1.1.7 Going forward, Management should ensure that monthly bank reconciliation reports are prepared for all project bank accounts.
- 1.1.1.8 Monthly bank reconciliation statements should be prepared and approved by individuals with the relevant qualification and experience. Discrepancies identified should be investigated and resolved where applicable in a timely manner.

- 1.1.1.9 Evidence of monthly bank reconciliation reports should be adequately documented and filed to facilitate future review.

### Management's Response

- 1.1.1.10 *This matter has been escalated to both the senior management of the Ministry of Education and the World Bank Task-Team. The MoE is making concerted efforts to ensuring the commercial bank deposits outstanding balance (US\$2,000) into the school account. The MoE is committed to seeing this through to completion. Attached is evidence of our communications for your review. (See attached Exhibit I: Communications to UBA).*

### Auditor General's Position

- 1.1.1.11 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.
- 1.1.1.12 Further, Management should submit to the Office of the Auditor General, evidence of remittance of reimbursement of the outstanding US\$2,000.00 from UBA to the school account. The report should be submitted to the Office of the Auditor General for validation within three months upon the issuance of the Auditor General's Report to the National Legislature.

## 1.2 Procurement Management

### 1.2.1 Transactions without Supporting Documents

#### Criteria

- 1.2.1.1 Regulation P.9 (2) of the PFM Act of 2009 as Amended and Restated 2019 states that "Payments except for statutory transfers and debt services shall be supported by invoices, bills and other documents in addition to the payment vouchers."

#### Observation

- 1.2.1.2 During the audit, we observed that Management did not provide seven (7) payment vouchers requested for transactions amounting to US\$18,817.08 (Eighteen Thousand Eight Hundred Seventeen United States Dollars Eight Cents) to validate the authenticity of the transactions. **See table 2 below for details:**

**Table 2: Transaction without Supporting Documents**

#.	Date	Transaction Reference	Description	Base Amount-US\$
1.	27/11/2024	2024/214	William B Smith -DSA	1,400.00
2.	27/11/2024	2024/214	Alexander Kaydea	1,470.00
3.	02/12/2024	2024/223	Karti Stationery Material	1,694.42
4.	03/12/2024	2024/228	NP Liberia, supply fuel	1,900.71
5.	30/03/2024	2024/JV	Petty Cash Utilisation fr	1,985.05
6.	22/07/2024	2024/114	Fuel supply: NP Liberia	2,356.90
7.	03/01/2024	2024/004	Veh Rental Sev: Chanel Lo	8,010.00
<b>Total:</b>				<b>18,817.08</b>

### **Risk**

- 1.2.1.3 Payments may be made for goods not delivered or services not performed. Goods delivered or services performed may not meet the approved specifications.
- 1.2.1.4 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.
- 1.2.1.5 The absence of adequate supporting documentation for transactions may also lead to fraudulent financial management practices, through the processing and disbursement of illegitimate transactions.
- 1.2.1.6 Management may override the procurement processes by completing disbursement without utilizing the required procurement methods.

### **Recommendation**

- 1.2.1.7 Management should fully account for expenditure made without adequate supporting documents.
- 1.2.1.8 Going forward, Management should ensure all transactions are supported by the requisite supporting documents consistent with the financial management regulations. 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. All relevant supporting records should be adequately documented and filed to facilitate future review.
- 1.2.1.9 Additionally, Management should facilitate the operationalization of the electronic document management system by ensuring that all relevant source and supporting documents are scanned, attached to the transaction (in the accounting software for financial transactions), archived and maintained to facilitate future review.

### **Management's Response**

- 1.2.1.10 *It is possible that the documents were not readily accessible during the time of audit fieldwork due to filing or retrieval delays. The supporting documents are available at the PFMU and with the PIU; and, we are herewith attaching them for the auditor's review. (See attached Exhibit III: Payment Vouchers).*

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

- 1.2.1.11 We acknowledge Management subsequent submission of approved payment vouchers after our audit execution. Also, Management's provision of documents after our review, does not guarantee Management effective control of document management and expenditures liquidation. Going forward, Management should ensure that requested documents for audit purposes are submitted in a timely manner. Management should also ensure that approved payment vouchers are adequately documented and filed to facilitate future review.

## 1.2.2 Third-Party Payments made to Employees/Individuals

### Criteria

- 1.2.2.1 Regulation B.28 of the PFM Act of 2009 as Amended and Restated 2019 states that "A payment shall be made only to the person or persons named on the payment voucher or to their representatives duly and legally authorized in writing to receive the payment".

### Observation

- 1.2.2.2 During the audit, we observed that Management made several payments amounting to US\$12,710.00 (Twelve Thousand Seven Hundred Ten United States Dollars) to employees/individuals rather than making direct payment to service providers or their legally authorized representatives. **See table 3 for details.**

**Table 3: Third-Party Payments made to employees/individuals**

Date	Description	Payee	PV's #	Amount (US\$)
07/10/2024	Payment Transportation allowance for participants for the training of C 3 Cloud Learning Management System for Master trainers and Classroom Teachers under component 4 of the IRISE Project as per documents attached.	Alexander S. Tagbah	IRISEP/2024/174	5,500.00
17/09/2024	Payment as Lunch for the Recruitment of EMIS TA's as per document attached	Charles T. Bropleh	IRISEP/2024/159	560.00
	Transportation Allowance for MOE Staff (EMIS) attending Capac/ity Building Training	Francis Jah Bestman	IRISEP/2024/213	6,650.00
<b>Total:</b>				<b>US\$12,710.00</b>

### Risk

- 1.2.2.3 Paying cash to employee for subsequent disbursement to vendors may facilitate misappropriation of funds.
- 1.2.2.4 This practice may also lead to Management override of the procurement processes by completing disbursement without facilitating due procurement processes.

### Recommendation

- 1.2.2.5 Management should initiate and complete all procurement processes as required by the PPCC and the Public Financial Management Act.
- 1.2.2.6 All payments for goods and services procured by the entity should be made directly to the vendor or its legally authorized representative.
- 1.2.2.7 Alternatively, Management should utilize the mobile money platform by transferring funds directly to vendors while maintaining the relevant source and supporting documentations.

## Management's Response

- 1.2.2.8 *The provided list of payments covers several distinct activities, not a single, unified expenditure. Here's a breakdown for clarity: Payment made to Josephus T.C. Nyumalin, a consultant providing data collection and analysis services to the Ministry of Education through its Education Management Information System (EMIS), funded under the project is not a third-party payment as insinuated by the auditor. That was the consultant's first payment for completion of deliverable 1 (inception report) under a lumpsum contract with MoE. This payment was processed in accordance with the terms of his contract.*

*The remaining payments were disbursed to individuals involved in various activities across different counties, including payments to participants attending county-level events and individuals hired for casual work during the textbook distribution initiative. Due to the nature of these activities and the large number of individuals involved, it was not feasible to individually contact each recipient without physical verification. However, all supporting documentation for these payments are readily available for your review. Payments in the names of Alexander S. Togba and Francis Jah Bestman were for transportation allowances to the participants attending the training. These were done in order to authenticate the participants' attendance in the training. Alexander S. Togba and Francis Jah Bestman are staff of PFMU/MFDP. The rationale for drawing a check in their individual names to facilitate payment of the beneficiaries was to reduce transaction costs given the amount involved and number of recipients. There is evidence that the funds were received by the intended beneficiaries. This was also the case with Charles T. Bropleh, an employee of the Ministry who was on a 7-member evaluation panel that received 4-day refreshment stipends each. Evidence of receipt is herewith attached. The need for third party payment for smaller amounts and sometimes in far distance areas has always been an issue. This was one of the key issues extensively discussed during the last procurement and financial management clinic organized by the World Bank early this year (18-21 February 2025). The recommendations from that discussion are now being followed by the project. All the transactions mentioned above took place last year (2024).*

## Auditor General's Position

- 1.2.2.9 Management's assertion did not adequately address the issues raised and is non-compliant with Regulation B.28 of the PFM Act of 2009 as Amended and Restated in 2019. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

## 1.2.3 Purchases outside Approved Procurement Plan

### Criteria

- 1.2.3.1 Section 40(1-2) of the Public Procurement and Concessions Act of 2005 as amended and restated in 2010 states; "(1) All Procuring Entities shall undertake Procurement planning, with a view to achieving maximum value for Public Expenditure and the other objects of this Act. (2) For each fiscal year the Procurement Unit shall prepare a draft annual procurement Plan for goods, works and services for use by the procuring Entity in the procuring Entity's budgeting process. Upon budget approval, the procurement Unit shall prepare an annual procurement plan for goods, works, and services in accordance with the

procuring Entity's approved programs and budget and furnish it to the Procurement Committee."

- 1.2.3.2 Part V - section 46. 1 of the Public Procurement and Concessions Act states that public procurement shall be undertaken by means of advertised open bid proceedings, to which equal access shall be provided to all eligible and qualified bidders without discrimination, subject only to the exceptions provided under this Part for particular methods of procurement.

#### **Observation**

- 1.2.3.3 During the audit, we observed that Management facilitated several purchases which were not included in the approved annual procurement plan amounting to US\$207,634.29 (Two Hundred Seven Thousand Six Hundred Thirty-Four United States Dollars Twenty-Nine Cents). **See Annexure 1 for details.**

#### **Risk**

- 1.2.3.4 Transactions not included in the approved Procurement Plan may lead to discretionary expenditure, waste and impair value for money.
- 1.2.3.5 The non-application of the requisite procurement method may impair the achievement of value for money and facilitate fraudulent procurement activities.

#### **Recommendation**

- 1.2.3.6 Management should provide substantive justification for facilitating purchases not included in the approved procurement plan.
- 1.2.3.7 Going forward, Management should facilitate the approval of annual procurement plan by the Bank. All unplanned procurement activities should be subsequently submitted to the Bank for approval before execution.

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

- 1.2.3.8 *Most of the transactions herein referred are either routine operation support to project implementation, or something that just came up during the implementation (contingencies). The IRISE Project management never thought of these kinds of activities as activities that should go in the project procurement plan usually shared with the World Bank via the Systematic Tracking of Electronic Procurement platform for no objection. Rather, they are captured in the PIU operations section of the annual workplan and budget for review and no objection. The project has been audited year-on-year for the last four years by the same team without raising these kinds of issues and advising appropriately. Now that it has come up, we take note of the recommendation and will do the needful going forward.*

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

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

## 1.2.4 Irregularities Associated with Solar Lighting System

### Criteria

- 1.2.4.1 Section 28.3 of the General Condition of Contract (GCC 28.3) states the period of validity of the warranty shall be twelve (12) months. Further, section 28.5 of the General Condition of Contract (GCC 28.5) states that period for repair or replacement shall be three (3) months.
- 1.2.4.2 Section 9.5.7 of the Schedule of Requirements states that all modules must be similar and interchangeable.
- 1.2.4.3 Additionally, section 9.9.12 of the Schedule of Requirement states that the minimum warranty period is 5 years and optionally extendable to 10 years.

### Observation

- 1.2.4.4 During the audit, we observed that Management made payments for nine (9) pieces of 540watts solar panels. However, we observed that one piece of the solar panel installed at Pleebo Extension (New Pleebo Community Junior and Senior High School) was 240watts thereby causing the system to not produce the required Amperes of solar power. **See Exhibit 1 for details.**
- 1.2.4.5 Additionally, we observed that some solar power system located at schools in Margibi, Maryland, Grand Kru and Grand Cape Mount counties were malfunctioning. However, we observed no evidence that Management had alerted the supplier to ratify the defects. **See table 5 be for details.**

**Table 4: Irregularities Associated with Solar Lighting System**

County	Name of School	Items	Remarks
Grand Cape Mount	Bo-Community School	Solar Lighting System	Broken connections between the solar panel and battery
Margibi	Weala Public	Solar Lighting System	Solar system battery is always red and not changing to green as before.
	E.J. Yancy	Solar Lighting System	Solar not connected to the battery (not fully installed)
Maryland	Barrakeh High School	Solar Lighting System	Operational failure.
Grand kru	Garraway Central High School	Solar Lighting System	Solar system battery is always red and not changing to green as before.

### Risk

- 1.2.4.6 Payments may be made for goods not delivered or services not performed. Goods delivered or services performed may not meet the approved specifications.
- 1.2.4.7 Failure to alert the supplier to rectify the defects on the solar lighting system may impair the achievement of value for money and the project objectives.

### Recommendation

- 1.2.4.8 Management should provide substantive justification for procuring a 240watts solar lighting system non-compliant with the required specification of 540watts.

- 1.2.4.9 Management should immediately alert the supplier about the current defects to the solar lighting system and ensure that repairs are facilitated in a timely manner to ensure that value for money and project objectives are achieved.
- 1.2.4.10 Going forward, Management should facilitate periodic reconciliation among goods ordered, goods received, and goods subsequently distributed to the beneficiaries of the project. Gaps identified should be investigated and resolved where applicable in a timely manner. Evidence of periodic reconciliation reports should be adequately documented and filed to facilitate future review.
- 1.2.4.11 Management should facilitate periodic monitoring and evaluation of all projects deliverables to ensure value for money is achieved and project deliverables are optimized. Discrepancies identified should be investigated and resolved in a timely manner. Evidence of periodic monitoring and evaluation reports should be adequately documented and filed to facilitate future review.

### **Management's Response**

- 1.2.4.12 *The Project has no record of the vendor delivering 240-watts instead of 540-watts solar panel in any school in Pleebo (being it New Pleebo Community School or Pleebo High School, as there is no school with the name Pleebo Extension High School known to be a beneficiary of this intervention under the project). Please see delivery note signed by the school attached for your consideration. The audit team could have also requested the school authorities to provide them a copy of the delivery note signed by them. The exhibit 1 shows that the first solar panel on the left is different in size from the rest, but you cannot outrightly conclude whether it was what the vendor that delivered it at the school because the delivery note signed by the school does not show that. Instead, it shows that 9 pieces of FL-M540 power: 545W solar panel were delivered. There may be a need for further investigation at the school level, which the MoE will do.*
- 1.2.4.13 *Regarding the observation that "some solar power system located at schools in Margibi, Maryland, Grand Kru and Grand Cape Mount counties were malfunctioning. However, we observed no evidence that management had alerted the supplier to ratify the defects", please see attached the last report received from the vendor regarding support to schools in maintenance of the solar. Some of the issues are just minor that the school can easily handle. For example, if the battle is reading red it means there is no current in it at all, and the school needs to allow it to charge sufficiently before switching on the power. Also, the solar is an alternative source of power, and not a regular power for the entire school. We have a group chat room where school principals furnish us with happenings at the school as it relates it utilization of the solar or Learning Management System devices, and we immediately convey that to the relevant vendor for support. Again, please refer to the vendor report attached. (See attached Exhibit V: Vendor Report)*

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

- 1.2.4.14 Management's assertion did not adequately address the issues raised. As displayed in the picture below and previously reported in Exhibit-1, one of the solar panels physically verified during our physical verification at the New Pleebo Community High School was

240watts. Further, defects in solar lighting system comprehensively catalogued in table five (5) above were observed to be significant and reported for corrective action by the school managements but not resolved as reported. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

- 1.2.4.15 Going forward, Management should ensure that defects reported by the school managements are resolved in a timely manner to ensure that project deliverables are optimized.



## 1.2.5 Delay in the Construction of Repackaged Works

### Criteria

- 1.2.5.1 Section 1.1.V of the General Condition of Contract states that the intended completion date for the Repackaged Works shall be six (6) calendar months from the date of commencement of the contract.
- 1.2.5.2 Section 41 (1) (a) to (c) of the Amended and Restated Public Procurement and Concessions (PPC) Act of 2010 states that "The Procuring Entity shall be responsible for the administration and monitoring of contracts entered into by the Entity. The contract administration functions shall include at least the following:
- Ensuring that the contractor complies with the specifications and terms of the contract;
  - Ensuring that the contract is being performed on schedule;
  - Ensuring that, payments made to the contractors are in accordance with the terms of the contract."

### Observation

- 1.2.5.3 During the audit, we observed that three (3) Junior Secondary School (JSS) expansion construction works were still ongoing beyond their respective completion date of March 27, 2025. Additionally, one (1) of the Super Senior High Schools have not been completed within the approved completion date of November 2024. **See table 6 below for details. Also exhibit 3**

**Table 5: Delay in the Construction of Repackaged Works**

County	Site	Contractor	Remarks
Grand Kru	Fennitoe	International Consolidated Contractor	Project completion date expire since March 2025
	Gbanken	International Consolidated Contractor	Project completion date expire since March 2025
	Niffu	International Consolidated Contractor	Project completion date expire since March 2025

### **Risk**

- 1.2.5.4 Failure of project management to ensure that services paid for are delivered in a timely manner, may lead to non-achievement of project objectives.
- 1.2.5.5 Project deliverables may not be implemented within the approved timelines. This may lead to increased overhead costs and non-achievement of project objectives.
- 1.2.5.6 Payments may be made for service not performed and value for money may be impaired.
- 1.2.5.7 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**

- 1.2.5.8 Management should provide substantive justification why the civil works were not completed within approved timelines.
- 1.2.5.9 Management should assess the current status of the work performed, the contractor's capacity to complete the construction of the civil works and update the Office of the Auditor General as part of Management's response to this Management Letter.
- 1.2.5.10 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 deliverable 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.
- 1.2.5.11 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.
- 1.2.5.12 Evidence of approved work plans and contracts should be adequately documented and filed to facilitate future review.

### **Management's Response**

- 1.2.5.13 *We acknowledge the delays. This is mainly due to the roughness of the terrain and difficulties associated with transporting construction materials to sites. The Ministry, in collaboration with the contractor, has developed an operational strategy for accelerating*

*the works towards full completion and revised the work schedule. The work is currently progressing in line with this updated timeline. With all parties actively engaged, we are hoping confident that the project will be completed within the revised stipulated timeframe.*

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

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

### **1.2.6 Abandoned Construction Site**

#### **Criteria**

- 1.2.6.1 Section 41 (1) (a) to (c) of the Amended and Restated Public Procurement and Concessions (PPC) Act of 2010 states that "The Procuring Entity shall be responsible for the administration and monitoring of contracts entered into by the Entity. The contract administration functions shall include at least the following:
- a) Ensuring that the contractor complies with the specifications and terms of the contract;
  - b) Ensuring that the contract is being performed on schedule;
  - c) Ensuring that, payments made to the contractors are in accordance with the terms of the contract."

#### **Observation**

- 1.2.6.2 During the audit, we observed that Management had abandoned the Zammi Town Elementary & Junior High School construction contract awarded to JLN construction company in May 2022. The contract approved completion date was scheduled for November 27, 2024.

#### **Risk**

- 1.2.6.3 Failure of project management to ensure that services paid for are delivered in a timely manner, may lead to non-achievement of project objectives.
- 1.2.6.4 Project deliverables may not be implemented within the approved timelines. This may lead to increased overhead costs and non-achievement of project objectives.
- 1.2.6.5 Payments may be made for service not performed and value for money may be impaired.
- 1.2.6.6 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**

- 1.2.6.7 Management should provide substantive justification why the civil works were not completed within approved timelines.
- 1.2.6.8 Management should assess the current status of the work performed, the contractor's capacity to complete the construction of the civil works and update the Office of the Auditor General as part of Management's response to this Management Letter.

- 1.2.6.9 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 deliverable 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.
- 1.2.6.10 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.
- 1.2.6.11 Evidence of approved work plans and contracts should be adequately documented and filed to facilitate future review.

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

- 1.2.6.12 *This site wasn't abandoned; rather, it was de scoped from the current project to be considered for alternative implementation by the Ministry given the low level of progress and time left to project closure deadline. This was based on the advice of the Bank. (See attached Exhibit VI: Copy of the Communication from the World Bank).*

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

- 1.2.6.13 Management's assertions were not supported by documentary evidence. The No Objection provided in Exhibit VI disclosed no information relative to the de-scoping of the project as asserted by Management. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

### **1.2.7 Variances between Approved Quantities and Quantities of Air-conditioners Installed**

#### **Criteria**

- 1.2.7.1 Section 2.8.2 of the Bill of Quantity (BOQ) for the Construction of the Junior Secondary School (JSS) states that, all bids shall be in compliance with the drawing and design.
- 1.2.7.2 Additionally, section 15 of the General Conditions of Contract states that the contractor shall construct and install the works in accordance with the required specification and drawings.

#### **Observation**

- 1.2.7.3 During the audit, we observed that the approved drawing of the expansion of junior secondary schools (JSS) required six (6) units of 9000BTU air conditioners being installed to facilitate adequate ventilation and conducive learning environment for the beneficiary students. However, during our physical verification exercise, we observed that some contractors had not installed the required number of air-conditioners. **See table 7 below for details.**

**Table 6: Variances between Approved Quantities and Quantities of Air-conditioners Installed**

County	Sites	Air conditioners	A/C Installed	Outstanding
Maryland	Gwiah Doe Public School	6	2	4
	Boniken	6	2	4
	Barreken	6	2	4
Rivergee	Kaytoken	6	2	5
	Tom Wah Memorial	6	2	5
	Cheboken	6	2	5
Sinoe	Paytaye	6	5	1
	Numopoh Central	6	5	1
	Gibsonville	6	5	1
	De-Troa	6	5	1
Grand Bassa	Owebgroove	6	5	1
	Fortsville	6	5	1
	Gio Town	6	5	1
Margibi	Worh	6	5	
Rivercess	Bogeezayee	6	Pending completion	
	Zammi Town	6	Pending completion	
Nimba	Duo-Gortou	6	Pending completion	
Grand Kru	Gbanken	6	Pending completion	
	Fennitoe	6	Pending completion	
	Niffue	6	Pending completion	

### Risk

- 1.2.7.4 Failure of project management to ensure that services paid for are delivered in a timely manner, may lead to non-achievement of project objectives.
- 1.2.7.5 Project deliverables may not be implemented within the approved timelines. This may lead to increased overhead costs and non-achievement of project objectives.
- 1.2.7.6 Payments may be made for service not performed and value for money may be impaired.
- 1.2.7.7 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

- 1.2.7.8 Management should provide substantive justification why the required number of air-conditioners were not installed.
- 1.2.7.9 Management should immediately alert the contractors about the outstanding air-conditioners to be installed and ensure that installation of the air-conditioners is facilitated in a timely manner to ensure that value for money and project objectives are achieved.
- 1.2.7.10 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 deliverable 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.

- 1.2.7.11 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.
- 1.2.7.12 Evidence of approved work plans and contracts should be adequately documented and filed to facilitate future review.

### Management's Response

- 1.2.7.13 *We are not sure this can be termed as irregularities in bids evaluation. Instead, our unpriced Bill of Quantities was a bit ambiguous leading to different interpretations of the required quantity of air conditions to be installed at each site. Due to the ambiguity observed, we accepted quantities costed by each vendor as the contractual quantity of air conditions to be installed. However, we have also observed during our defect liability monitoring inspection to some of the far to reach sites that the contractor installed less quantities of air conditions than costed in the contract. We have reached out to them to install the remaining ACs which they have consented to do.*

### Auditor General's Position

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

## 1.2.8 Female Guidance Counsellors Absent from Schools Visited

### Criteria

- 1.2.8.1 Subcomponent 2.2: Supporting safer learning environments in senior secondary schools for girls of the IRISE PIM, paragraph two, states that "The Ministry will identify existing employees who meet the qualification criteria and also recruit additional female candidates to ensure that a female Guidance Counsellor can be placed in every public and community senior secondary school in Liberia. By the end of the project, female Guidance Counsellors are expected to be present in all public SSS".
- 1.2.8.2 Subcomponent 2.1: of IRISE states that; To maintain the scholarship, the beneficiary must show regular attendance in school in addition to demonstration of high moral discipline and component base on regular behavior and performance to be conducted by the female guidance counsellor assigned to the school. Students who are guilty of the following will not be maintained on the scholarship.
  - Transfer from one institution to another without notification to the Division of Scholarship.
  - Involved in any kind of misconduct, dishonesty such as deliberately providing incorrect information at any stage of the application process or while on the scholarship.
  - A student fraudulently attempting to gain double/multiple scholarship from the Government of Liberia.

- 1.2.8.3 Also, Regulation T.5 of PFM Act, 2009 as amended and restated 2019 states that, "A Head of government agency shall cause the immediate stoppage of payment of salary to a public servant when that public servant has: (a) been absent from duty without permission or reasonable cause for a period as stipulated in the administrative regulations of the establishment; (b) been absent from duty on leave without pay; (c) been convicted of an offence involving theft or fraud, or a sentence of imprisonment; (d) resigned; (e) retired; or (f) died.

### Observation

- 1.2.8.4 During the audit, we observed no evidence of Female Guidance Counselors at school campuses in some schools as required.
- 1.2.8.5 Additionally, we verified from school's attendance records that Female Guidance Counselors have been absent from campuses for one to two months. **See Table 7 below for details.**

**Table 7: Female Guidance Counselors Absent from Schools Visited**

County	School
Bong	M.V. Massaquoi Jr. & Sr. High Sch
	Martha Tubman Jr. & Sr. High Sch
	William R. Tolbert Jr. & Sr. High Sch.
Grand Bassa	Bassa High School
Grand Cape Mount	Sinje Public Sch.
	Mardina Public School
Grand Gedeh	Toe Memorial Institute
	Johnny Garley Memorial high Sch.
	Suah Memorial Institute
	Putu Central High
	Tubman Wilson
Grand Kru	Barclayville Central High
	P. G. Wollor High School
	Samford Dennis High School
	Garraway Central School
Margibi	Lango Lippaye
	Dolo Town Public School
Nimba	Francis Nya Marweah
	J.W. Pearson Extension
	Johnny Voker
	Saclepea Central High
	Saywah Doe Memorial High School
	J. W. Pearson High School
RiverGee	Gbeapo Central High
	Tweh Jaiklay High School
	Neegbah Public School
Sinoe	Yarpah High School
	Sinoe Extension
	Juarzon Central High

### **Risk**

- 1.2.8.6 The absence of Female Guidance Counselor at assigned institutions may impair the achievement of the project objectives.
- 1.2.8.7 Failure to monitor and supervise personnel attendance records may result to compensation of non-deserving employees. This practice may cultivate an inappropriate work culture at the entity and may subsequently affect the operation and performance of the entity.
- 1.2.8.8 Management may be non-compliant with Regulation T.5 of the PFM Act, 2009 as amended and restated 2019 and Subcomponent 2.2 of IRISE PIM.

### **Recommendation**

- 1.2.8.9 The Management of the project should liaise with the MoE Management and the Administration of the institutions listed above to inquire why the assigned Female Guidance Counselors have been absent from work without authorized leave of absence. Consistent absentees should be made to returned the project assets and subsequently replaced to facilitate the achievement of the project objectives.
- 1.2.8.10 The MoE Management should ensure that personnel attendance records are regularly monitored by a designated staff and absentee employees should be reprimanded in line with Regulation T.5 of PFM Act, 2009 as amended and restated 2019 for failing to report to work. Management should initiate periodic spot check to ascertain the accuracy of attendance records. Evidence of daily attendance logs and monthly time sheets should be adequately documented and filed to facilitate future review.

### **Management's Response**

- 1.2.8.11 *This information is strange to the project given the level of effort made both by the Ministry of Education and CSA to ensure the female guidance counselors remain in their respective schools, but also, our regular interactions with the counselors from some of the schools mentioned here. However, this would be elevated to the senior management of the MoE for redress going forward. Some of the schools, particularly those named here from Grand Kru and some of Grand Gedeh, have not had female guidance counselor until recently in fulfillment of the remaining 10 percent of the performance-based condition 1.5 of the project.*

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

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

## **1.2.9 Lack of Competitive Process and Need Assessment for Capacity Building Program**

### **Criteria**

- 1.2.9.1 Section 3.25 the World Bank procurement Regulations states that "Even once the contract is awarded after obtaining a no objection from the Bank, the Bank may still take appropriate actions and exercise legal remedies, regardless of whether the project has

closed or not, if it concludes that the no objection or the notice of satisfactory resolution was issued on the basis of incomplete, inaccurate, or misleading information furnished by the Borrower or the terms and conditions of the contract had been substantially modified without the Bank's no objection.

### Observation

- 1.2.9.2 During the audit, we observed that Management made payment amounting to US\$27,800.00 (Twenty-Seven Thousand Eight Hundred United States Dollars) to African Capacity Development and Research Institute (ACADRI) located in Kampala, Uganda for staff capacity building without evidence of competitive selection process.
- 1.2.9.3 Additionally, US\$41,920 (Forty-One Thousand Nine Hundred and Twenty United States Dollars) was disbursed to staff of the MOE representing accommodation, per diem and visa fees, for participation in the capacity building program without evidence of need assessment and competitive recruitment as required by the Bank's No Objection. **See table 8 below for details.**

**Table 8: Lack of Competitive Process and Need Assessment for Capacity Building Program.**

Name	Voucher No.	Amount for Per Diem Allowance & Accommodation	Transferred Made to African Capacity Development and Research Institute (ACADRI)
N. Theaway Harmon	IRISE/2024/161	5,115.00	13,900.00
Lawson Cummings		5,115.00	
Julia Jlatuh Wallace		5,115.00	
Ruth Mayah Fayia		5,115.00	
Alexander T. Gayfl,or	IRISE/2024137	5,115.00	13,900.00
Isaac z. Fufly		5,115.00	
Melvin N. Lamin		5,115.00	
Susan Saydee		5,115.00	
<b>Total</b>		<b>40,920.00</b>	<b>27,800.00</b>

### Risk

- 1.2.9.4 The absence of a competitive selection for the training institute may lead to inadequate capacity development for the selected beneficiaries. This may impair value for money and the achievement of the project objectives.
- 1.2.9.5 The absence of a comprehensive need assessment for the capacity development program, training programs may not address employees' capacity gaps and performance deficiencies. An inappropriate training institute may be selected which may not address the capacity needs of selected beneficiaries.
- 1.2.9.6 In the absence of competitive selected beneficiaries, staff with inappropriate skill set may be selected for the capacity development program. This may lead to selected candidates' inability to complete the program or fully execute expertise and experiences acquired from the training program.

### **Recommendation**

- 1.2.9.7 Going forward, Management should develop, approve, and operationalize a comprehensive training plan that addresses the strategic capacity needs of the staff of the entity. The requisite training and capacity development plan for each unit should be identified and scheduled.
- 1.2.9.8 Subsequently, Management should facilitate the competitive selection of beneficiaries for all training programs to ensure that selected beneficiaries have the required qualification and skill sets to complete the training and subsequently implement the expertise and experiences acquired from capacity development programs. Evidence of competitive selection for selected beneficiaries should be adequately documented and filed to facilitate future review.
- 1.2.9.9 Management should facilitate a competitive selection of training institutes to ensure that institutions selected are capable of addressing the capacity needs of the selected beneficiaries. Evidence of competitive selection for training institutes should be adequately documented and filed to facilitate future review.

### **Management's Response**

- 1.2.9.10 *All recommendations noted for future corrective actions.*

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

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

## **1.2.10 Prices Above the Average Market Price**

### **Criteria**

- 1.2.10.1 Annex 1 section 2.2 of the World Bank Procurement Regulations states that Value for Money means the effective, efficient, and economic use of resources, which requires the evaluation of relevant costs and benefits, along with an assessment of risks and of non-price attributes and/or life-cycle costs, as appropriate.
- 1.2.10.2 Section 2.8.2 of the Bill of Quantity (BOQ) states that there should be full installation of air-conditioning system complete and to be fully functional.
- 1.2.10.3 The World Bank's Procurement Framework encourages borrowers to assess bids carefully to ensure cost-effectiveness and avoid excessive pricing. If a bid is unreasonably high, procurement officials may conduct market analysis, request justifications, or even reject the bid if it does not align with procurement principles.

### **Observation**

- 1.2.10.4 During the audit, we observed that Management awarded contract to Sami Construction Company for supply and installation of two units of air-conditioners: 9000 and 12000 BTUs for the amount of US\$4,900.00 (Four Thousand Nine Hundred United States Dollars). However, based on the results of our market survey, we observed the value quoted for the

9000BTU and 12000 BTU air-conditioners appear significantly higher than the average market prices. **See table 9 for details.**

**Table 9: Prices Above the Average Market Price**

Item	Quoted Price US\$ (A)	Average Market Price US\$ (B)	Variance US\$ C=(A-B)
9000BTU Hisense			
12000 BTU Hisense	4,900.00	720.00	4,180.00

### Risk

- 1.2.10.5 Prices may be quoted above the market value. This may lead to over payment of goods and services and misappropriation of project's funds.
- 1.2.10.6 Lack of comprehensive review of prices quoted in contractors bids submission may lead to over payment for goods and services, impair value for money and lead to non-achievement objectives.

### Recommendation

- 1.2.10.7 Management should provide substantive justification for facilitating payments for two units of air-conditioners: 9000 and 12000BTUs significantly above the average market value.
- 1.2.10.8 Going forward, Management should perform a comprehensive review of specifications, prices and quality quoted in contractors bids submission against current market statistics to ensure that value for money is achieved during the execution of procurement activities.
- 1.2.10.9 Management should facilitate the conduct of periodic market survey for recurrent procurement commodities to ensure that prices quoted in bids subsequently received are reflective of current market values.
- 1.2.10.10 Evidence of comprehensive review of specifications, prices and quality quoted in contractors bids submission and periodic market survey for recurrent procurement commodities should be adequately documented and filed to facilitate future review.

### Management's Response

- 1.2.10.11 *This was also observed by the Quality Assurance Team of the Ministry and the contractor is being instructed to install the remaining air conditions. This was discovered lately due to the remoteness of the sites and the inaccessibility at the time the contractor reported substantial completion. To date, final payment has not been made to the contractor.*

### Auditor General's Position

- 1.2.10.12 Management's assertions did not adequately address the issue raised. The finding was relative to the variance between the quoted prices for the purchase of air-conditioners and the average market prices catalogued in table nine (9) above. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of recommendations during subsequent audit.

### **1.2.11 Delay with the Installation of Science Lab Equipment (Biology, Chemistry and Physics)**

#### **Criteria**

- 1.2.11.1 Section 41 (1) (a) to (c) of the Amended and Restated Public Procurement and Concessions (PPC) Act of 2010 states that "The Procuring Entity shall be responsible for the administration and monitoring of contracts entered into by the Entity. The contract administration functions shall include at least the following:
- a) Ensuring that the contractor complies with the specifications and terms of the contract;
  - b) Ensuring that the contract is being performed on schedule;
  - c) Ensuring that, payments made to the contractors are in accordance with the terms of the contract."
- 1.2.11.2 Additionally, section 16.1 part (ii) of the Special Condition of Contract states that on delivery and installation, 35% of the Contract price amounting to US\$115,604.98 shall be paid on delivery and installation of the goods in all 28 designated public senior secondary schools and upon submission of a claim supported by the acceptance certificate issued by the purchaser.
- 1.2.11.3 Section 26.1 of the General Condition of Contract states that the inspection tests shall be after installation, testing and commissioning.

#### **Observation**

- 1.2.11.4 During the audit, we observed that Management entered into a contract with ALFA Trading House for the supply and installation of laboratory equipment to 28 senior secondary schools for a contract value amounting to US\$330,299.94 (Three Hundred Thirty Thousand Two Hundred Ninety-Nine United States Dollars Ninety-Four Cents).
- 1.2.11.5 However, we observed that management facilitated full payment to ALFA Trading House amounting to US\$330,299.94 (Three Hundred Thirty Thousand Two Hundred Ninety-Nine United States Dollars Ninety-Four Cents) without evidence of full supply and installation of science laboratory equipment at all designated 28 Senior Secondary Schools, non-compliant with the terms and conditions of the contract.

#### **Risk**

- 1.2.11.6 Failure of project management to ensure that goods and services paid for are delivered in a timely manner, may lead to non-achievement of project objectives.
- 1.2.11.7 Project deliverables may not be implemented within the approved timelines. This may lead to increased overhead costs and non-achievement of project objectives.
- 1.2.11.8 Payments may be made for goods not delivered and services not performed and value for money may be impaired.
- 1.2.11.9 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

- 1.2.11.10 Management should provide substantive justification for facilitating full payments to the contractor without evidence of supply and installation of laboratory equipment at all 28 senior secondary schools, non-compliant with the terms and conditions of the contract.
- 1.2.11.11 Management should immediately alert the contractor about the outstanding laboratory equipment to be supplied and installed at the schools and ensure that supply and installation are facilitated in a timely manner to ensure that value for money and project objectives are achieved.
- 1.2.11.12 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 deliverable 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.
- 1.2.11.13 Management should facilitate periodic monitoring and evaluation of all projects deliverables to ensure value for money is achieved and project deliverables are optimized. Discrepancies identified should be investigated and resolved in a timely manner. Evidence of periodic monitoring and evaluation reports should be adequately documented and filed to facilitate future review.

### Management's Response

- 1.2.11.14 *The laboratory equipment was fully supplied and delivered to the 28 schools. What was missing is the installation for utilization which could not be done because the schools were not adequately ready for such. The required infrastructure for a functional lab set up (counter tops, furniture including shelves for storage room, face basin for water to wash chemicals etc.) was not there to enable the vendor do the installations. This was never the responsibility of the vendor and as such, its payment could not be delayed because of that. The project team advised the vendor to write a commitment letter to the Ministry promising to come back and install the equipment anytime the schools are ready in the near future, which was done for payment was processed. (See attached Exhibit VII: Copy of Commitment Letter).*

### Auditor General's Position

- 1.2.11.15 Management's assertions did not adequately address the issue raised. Management should have ensured that all pre-conditions to expedite the timely implementation of project deliverables are met before investing project resources into the procurement of goods and services. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.
- 1.2.11.16 Further, Management should liaise with the contractor to facilitate timely installation of laboratory equipment at the designated schools. Evidence of installation of laboratory equipment should be submitted to the Office of the Auditor General for validation within 3 months upon the issuance of the Auditor General's Report to the National Legislature.

## 1.2.12 Non-Recovery of JLN Terminated Contracts Advance Payment and Performance Guarantees

### Criteria

- 1.2.12.1 Section 51 part (1) of the Standard Bidding Document states that The Employer shall make advance payment to the Contractor of the amounts stated in the Particular Condition Contract (PCC) by the date stated in the PCC, against provision by the Contractor of an Unconditional Bank Guarantee in a form and by a bank acceptable to the Employer in amounts and currencies equal to the advance payment. The Guarantee shall remain effective until the advance payment has been repaid, but the amount of the Guarantee shall be progressively reduced by the amounts repaid by the Contractor. Interest shall not be charged on the advance payment.
- 1.2.12.2 Additionally, section 51. Part (2) states that the Contractor is to use the advance payment only to pay for Equipment, Plant, Materials, and mobilization expenses required specifically for execution of the Contract. The Contractor shall demonstrate that advance payment has been used in this way by supplying copies of invoices or other documents to the Project Manager.

### Observation

- 1.2.12.3 During the audit, we observed that Management entered into contracts with JLN Construction Company for the construction of JSS expansion schools in Rivercess, Nimba and Grand Kru counties. The contracts were awarded in two lots. **See table 10 for details.**

**Table 10: Non-Recovery of JLN Terminated Contracts Advance Payment and Performance Guarantees**

No.	Description	Amount US\$
1.	Lot-2: Rivercess and Nimba	479,453.01
2.	Lot-3: Grand Kru	539,184.11
<b>Total</b>		<b>1,018,637.12</b>

- 1.2.12.4 We further observed that Performance Guarantees were obtained from United Bank of Africa (UBA) on October 4, 2022 to settle liabilities not exceeding US\$71,304.59 (7% of US\$1,018,637.12), as mitigating measures for non-performance of the contracts. Subsequently, Management facilitated disbursement amounting to US\$376,085.03 towards the performance of services for lot-2 and Lot-3. Due to the abandonment of construction sites, Management terminated the contracts of JLN Construction Company. However, we observed no evidence of receipts of refund of Performance Guarantee from UBA, non-compliant with the terms and provisions of the Performance Guarantees.

### Risk

- 1.2.12.5 Non-recovery of refunds from Performance Guarantees may lead to loss of much needed funds to complete project deliverables. This may lead to misappropriation of project's funds.

- 1.2.12.6 Payments may be made for goods not delivered and works/services not performed and value for money may be impaired.
- 1.2.12.7 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**

- 1.2.12.8 Management should provide substantive justification for not facilitating recovery of Performance Guarantee funds from UBA as required.
- 1.2.12.9 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 deliverable 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.
- 1.2.12.10 Management should facilitate periodic monitoring and evaluation of all projects deliverables to ensure value for money is achieved and project deliverables are optimized. Discrepancies identified should be investigated and resolved in a timely manner. Evidence of periodic monitoring and evaluation reports should be adequately documented and filed to facilitate future review.

### **Management's Response**

- 1.2.12.11 *The request was made to the commercial bank by the project with several follow up meetings for liquidation of the performance guarantee. To date, the commercial bank is yet to pay. The Ministry is considering legal action against the commercial bank.*

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

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

## **1.2.13 Spending in Excess of Repackaged Civil Works**

### **Criteria**

- 1.2.13.1 Paragraph 40.1 of the General Condition of the contract states that the Bill of Quantities (BOQ) shall contain priced items for the Work to be performed by the contractor. The Bill of Quantities is used to calculate the contract price. The contractor will pay for the quantity of the work accomplished at the rate of the Bill of Quantities for each item.
- 1.2.13.2 Paragraph 41.1 of the General Condition of the contract states If the final of the work done differs from the quantity in the Bill of Quantities for the particular item by more than 25 percent, provided the change exceeds 1 percent of the initial contract price, the Project Manager shall adjust the rate to allow for the changes. The Project Manager shall not adjust rates from changes in quantities if thereby the Initial Contract Price is exceeded by more than 15 percent, except with the prior approval of the Employer.

### Observation

- 1.2.13.3 During the audit, we observed that Management entered into a contract agreement with International Consolidated Contractors Offshore Sal (ICC) for the repackaged works known as Expansion of 3No. Junior Secondary Schools (JSS) to Senior Secondary Schools (SSS) in Grand Kru County amounting to US\$950,000.00.
- 1.2.13.4 However, the approved budget for the repackaged works engineer cost amounted to US\$741,238.22 resulting into an excess over the approved budget amounting to US\$208,762.22. This led to an increment in the initial contract price by 28.16% in excess of the required 15% threshold without evidence of the Bank's approval (no objection from the Bank). **See table 11 below for details.**

**Table 11: Spending in Excess of Repackaged Civil Works**

Payee	Nature of Transaction	Project Repackaged Cost US\$ A	Project-MOE Approved Engineer Cost/ Project Allocation US\$ B	Amount Variance US\$ C=(A-B)	Variance Percent % D=(C/A)*100
International Consolidated Contractors Offshore Sal (ICC)	The repackaged works known as expansion of 3No. Junior Secondary Schools (JSS) to Senior Secondary Schools (SSS) in Grand Kru	950,000.00	741,238.22	208,762.22	22%

### Risk

- 1.2.13.5 Spending in excess of approved budget may lead to misappropriation of project funds. This may impair the achievement of the project's objectives.
- 1.2.13.6 Facilitating unauthorized additional expenditure from one sub component to another may lead to under/over disbursement of approved budgetary allotments.
- 1.2.13.7 Approved activities within a given component of the project may not be achieved due to unavailability of funds.

### Recommendation

- 1.2.13.8 Management should provide substantive justification for entering into a contract agreement in excess of approved budgetary allocations comprehensively cataloged in **Table 10** above.
- 1.2.13.9 Management should ensure that expenditures are within approved budget limits at all times and where applicable, supplementary and / or approval for recast budget is acquired. Copies of the necessary documentation should be maintained for administrative and review purposes.
- 1.2.13.10 Management should perform periodic (at least quarterly) reconciliation between budgeted and actual revenue and expenditure. Gaps identified should be used to govern future

revenue collection and disbursement activities. Periodic budget performance reports should be adequately documented and filed to facilitate future review.

- 1.2.13.11 Going forward, Management should request and obtain due authorization from the relevant authority before funds are transferred from one component to another. Evidence of authorization for amendment to approved recast budget and all other relevant supporting records should be adequately documented and filed to facilitate future review.

### Management's Response

- 1.2.13.12 *Please be informed that an engineering estimate is not same as an approved budget. Rather, it is just an estimation which is subject to final outcome of the procurement process. In this instance, the most responsive and advantageous bidder quoted a price for the repackaged civil works in Grand Kru above the engineering estimate. This does not amount to "spending in excess of approved budget". The approved budget for civil works does not have restriction to say only this amount can be spent for a particular contract because some contracts prices could be higher than the others depending on the location and market. The project stays throughout within the approved budget for civil works, and what you are referring as approved budget is an estimated cost of the works prepared by the Ministry engineers that is a normal practice. The market price going above or below the engineering estimate is normal, and does not mean spending outside approved budget.*

### Auditor General's Position

- 1.2.13.13 Management's assertion did not adequately address the issues raised. The budgeted cost/engineering cost of the project was consistent with the approved procurement plan. As indicated in our findings, we obtained no evidence of approval of adjustment to the approved procurement plan. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

## 1.2.14 Contract Running on Expired United Bank of Africa (UBA) Performance Security

### Criteria

- 1.2.14.1 Section 54.1 of General Condition of Contract (GCC) states that the Performance Security will be in the form of a demand guarantee in the overall amount of ten (10%) percent of the acceptable contract amount and in the same currency of the accepted contract amount, but shall be submitted in two instruments as stated below:
- i. The Environmental Security (ES), which will be in the form of a demand guarantee, in the amount of three (3%) percent of the accepted contract amount and in the same currency of the accepted contract amount; and
  - ii. The Performance Security, which will be in the form of the demand guarantee, in the amount of seven (7%) percent of the accepted contract amount and in the same currency of the accepted contract amount and the Performance Security shall be valid until a date 28 days from the date of issue of the Certificate of Completion in the case of Bank Guarantee, and until one year from the date of issue of the Certificate of Completion in the case of a Performance Bond.

### Observation

- 1.2.14.2 During the audit, we observed that Management entered into a contract with International Consolidated Contractor Offshoes SAL (ICC) for the construction of JSS expansion schools in Grand Kru County for a total contract value of US\$950,000.00 (Nine Hundred Fifty Thousand United States Dollars).
- 1.2.14.3 We further observed that Performance and Environmental Guarantees were obtained from United Bank of Africa (UBA) on September 12, 2024 to settle liabilities not exceeding US\$66,500.00 (7% of US\$950,000.00) and US\$28,500.00 (3% of US\$950,000.00) for performance and environmental guarantees respectively, as mitigating measures for non-performance of the contracts. However, we observed that the performance and environmental guarantees had expired on May 12, 2025, non-compliant with the required timeline for validation: 28 days from the date of issue of the Certificate of Completion in the case of Bank Guarantees, and until one year from the date of issue of the Certificate of Completion in the case of a Performance Bond.

### Risk

- 1.2.14.4 Funds from performance and environmental guarantees may not be recovered. Non-recovery of refunds from performance and environmental guarantees may lead to loss of much needed funds to complete project deliverables. This may lead to misappropriation of project's funds.
- 1.2.14.5 In the instance of litigation, valid documentation may not be available to facilitate enforceability of the provisions of the performance and environmental guarantees.

### Recommendation

- 1.2.14.6 Management should liaise with the contractor to facilitate immediate renewal of the performance and environmental guarantees. Evidence of renewal of performance and environmental guarantees should be submitted to the Office of the Auditor General, as part of Management's response to this Management Letter.
- 1.2.14.7 Going forward, Management should ensure that all performance and environmental guarantees are kept valid consistent with the terms and conditions of the contract: 28 days from the date of issue of the Certificate of Completion in the case of Bank Guarantees, and until one year from the date of issue of the Certificate of Completion in the case of a Performance Bond.
- 1.2.14.8 Management should perform periodic review of all contracts and related documentation to ensure that terms and conditions of the contract and other compliance requirements are fully implemented.

### Management's Response

- 1.2.14.9 *We believe the scope of this audit runs from January to December 2024. A performance guarantee issued September 12, 2024 that will expire on May 12, 2025 cannot be claimed to have expired under the audit period in review. Was the guarantee expired by December 31, 2024? IRISE Project management will be in the position to speak to this claim/observation in the appropriate audit period. For now, it is outside scope.*

### Auditor General's Position

1.2.14.10 Management's assertion did not adequately address the issues raised. For the purpose of ensuring that post-period events do not affect the implementation of project deliverables, we assessed and disclosed subsequent events which in our opinion have the potential to impair the implementation of current project deliverables consistent with Paragraph 2.9.1 (Appendix) Cash Basis IPSAS 2017-Guidance on Subsequent Events. In this instance, the expiration of performance guarantee, which serves as mitigating measures for non-performance of contracts, may impair refund of project resources disbursed to non-performing contractors. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

### 1.2.15 Lack of Work Completion Certificate

#### Criteria

- 1.2.15.1 Section 57.1 of the General Condition of Contract (GCC) states that the contractor shall request the project Manager to issue a Certificate of Completion of the Works, and the Project Manager shall do so upon deciding that the whole of the Works is completed.
- 1.2.15.2 Additionally, Section 58 of the General Condition of Contract (GCC) states that the Employer shall take over the Site and the Works within seven days of the Project Manager's issuing a certificate of Completion.

#### Observation

- 1.2.15.3 During the audit, we observed that Management reported several services and works as being completed without evidence of job completion certificates to validate the authenticity of the transactions and the completion of services and works up to approved specifications. **See table 12 below for details.**

**Table 12: Lack of Work Completion Certificate**

County	Site
Maryland	Bonniken
	Barriken
	Gwiah Doe
Rivergee	Sarbo Swaken
	Jarkeken
	Cheboken
Bong	Botota
Sinoe	Droh Public School-Paytay
	Gibsonville
	Numipoh Public School
	Gee Troh Public School
Margibi	Wohn
Nimba	Kpein, W.V.S. Tubman
Grand Bassa	Owengroove
	Gio Town
	Fortville
Gbarpolu	Belleh FassamaPub. Sch
	Kungbor Public Sch
	Gbarnga GBgorketa Public Sch.

### **Risk**

- 1.2.15.4 In the absence of job completion certificates, payments may be made for works and services not performed or not performed up to approved specifications.
- 1.2.15.5 In the absence of adequate supporting documents, the validity, occurrence and accuracy of payments may not be assured. This may lead to misappropriation of public funds.
- 1.2.15.6 The absence of adequate supporting documentation for transactions may also lead to fraudulent financial management practices, through the processing and disbursement of illegitimate transactions.
- 1.2.15.7 Management may override the procurement processes by completing disbursement without utilizing the required procurement processes.
- 1.2.15.8 Management may be non-compliant with Sections 57.1 and 58 of the General Condition of Contract (GCC).

### **Recommendation**

- 1.2.15.9 Management should ensure that job completion certificates are submitted by vendors/consultants upon the completion of all works and services. Management should facilitate the timely review of all completed works and services against approved specifications/contracts and approve the job completion certificates accordingly. (The job completion certificates should be uniquely coded to reflect the specific transactions).
- 1.2.15.10 Management should ensure that goods received notes are received for all goods procured to validate those goods paid for including the required specifications were delivered to the end user. (The goods received notes should be uniquely coded to reflect the specific transactions).
- 1.2.15.11 The job completion certificates and goods received notes should be signed by the vendors, the procurement officer, storeroom officer/project manager and an internal auditor/assurance officer where applicable.
- 1.2.15.12 Evidence of goods received notes for all goods received and job completion certificates for all works and services performed should be adequately documented and filed to facilitate future review.

### **Management's Response**

- 1.2.15.13 *These substantial completion certificates have been issued and copies are available. It was not requested during the audit engagement period. Please find them attached. However, the Final Completion Certificates have not yet been issued to the contractors until the defect's liability periods can elapse and the Ministry is satisfied with the facilities. (See attached Exhibit VIII: Substantial Completion Certificates)*

### **Auditor General's Response**

- 1.2.15.14 We acknowledge Management's submission of certificates of completion for Gbarpolu, Sinoe and Maryland Counties after our review. However, Management did not provide

evidence of certificates of completion for the rest of the counties as indicated in the table below. Therefore, we maintain our recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

County	Site
Rivergee	Sarbo Swaken
	Jarkeken
	Cheboken
Bong	Botota
Margibi	Wohn
Nimba	Kpein, W.V.S. Tubman
Grand Bassa	Owengroove
	Gio Town
	Fortville

### 1.2.16 Project Deliverable not Completed up to Approved Specifications

#### Criteria

- 1.2.16.1 Section 2 of the Bill of Quantity (BOQ) Water Supply System of SAGK Bid states that he/she will provide water harvesting installations to include 2 (3000) polaytanks, gutters to all buildings, downspouts, transmission pipelines. Valves, pipes crossing, manholes and assembles as required for site to become functional.

#### Observation

- 1.2.16.2 During the audit, we observed that Management commenced operations at Barrenken Public School in Maryland County without evidence of completion of the installation of harvesting water supply system by the contractor as required. **Exhibit 3 for details.**

#### Risk

- 1.2.16.3 Failure of project management to ensure that services paid for are delivered in a timely manner, may lead to non-achievement of project objectives.
- 1.2.16.4 Project deliverables may not be implemented within the approved timelines. This may lead to increased overhead costs and non-achievement of project objectives.
- 1.2.16.5 Payments may be made for service not performed and value for money may be impaired.
- 1.2.16.6 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

- 1.2.16.7 Management should provide substantive justification why the installation of harvesting water supply system was not completed as required.
- 1.2.16.8 Management should immediately alert the supplier about the non-completion of the installation of harvesting water supply system to facilitate completion of works in a timely manner and ensure that value for money and project objectives are achieved.

- 1.2.16.9 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 deliverable 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.
- 1.2.16.10 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.
- 1.2.16.11 Evidence of approved work plans and contracts should be adequately documented and filed to facilitate future review.

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

- 1.2.16.12 *Will be corrected within the defect liability period. We take note with thanks.*

#### **Auditor General's Response**

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

### **1.2.17 Solar System not Producing the Required Output**

#### **Criteria**

- 1.2.17.1 Section VIII of the General Condition of Contract (Warranty) states that the warranty period is five (5) years while maintenance and repairs is twenty-four (24) months.
- 1.2.17.2 Section 28.5 of General Condition of Contract states that "Upon receipt of such noticed, the Supplier shall, in the period specified in the SCC, expeditiously repair or replace the defective goods or parts thereof, at no cost to the Purchaser.

#### **Observation**

- 1.2.17.3 During the audit, we observed that Solar System installed at 60 (sixty) of the 156 schools visited have not been maintained since installation thereby causing low outputs. **See Annexures 2 for details.**

#### **Risk**

- 1.2.17.4 Persistent low output of solar power may impair the achievement for value for money and project objectives.
- 1.2.17.5 Goods and services paid for may not be received or received up to approved specification.
- 1.2.17.6 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

- 1.2.17.7 Management should immediately alert the supplier about the current defects to the solar lighting system and ensure that repairs are facilitated in a timely manner to ensure that value for money and project objectives are achieved.
- 1.2.17.8 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 deliverable 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.
- 1.2.17.9 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.
- 1.2.17.10 Evidence of approved work plans and contracts should be adequately documented and filed to facilitate future review.
- 1.2.17.11 Management should ensure that all contractors facilitate routine maintenance within the approved warranty periods to ensure value for money and project deliverables are optimized.

### Management's Response

- 1.2.17.12 *Please refer to the vendor's report on maintenance earlier referenced in 1.2.5. Thank you.*

### Auditor General's Response

- 1.2.17.13 Management's assertion did not adequately address the issues raised. The vendor report referenced in Management's response was prepared before our physical verification exercise. Therefore, defects observed during our physical verification exercise were unresolved as at May 9, 2025. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

## 1.3 Fixed Assets Management

### 1.3.1 Irregularities Associated with Fixed Asset Management

#### Criteria

- 1.3.1.1 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**

- 1.3.1.2 During the audit, we observed the following irregularities associated with IRISE's Fixed Assets Management System:
- There was no evidence of a fixed assets management policy at the 156 Senior Secondary Schools.
  - Assets (Solar System) procured for 156 Senior Secondary Schools were not captured in the Fixed Assets Register attached to the Financial Statements. **See Annexure 3 for details.**
  - The fixed assets register was not regularly updated
  - Some assets on the fixed asset register were not seen.
  - Some fixed assets were not coded.
  - There was no evidence of movement of assets form.
  - Fixed assets within a given vicinity were not displayed as required by the PFM Act.

### **Risk**

- 1.3.1.3 Fixed Assets may be misstated (Over/understated).
- 1.3.1.4 Fixed Assets may be damaged or impaired but their values are still on the books.
- 1.3.1.5 Fixed Assets may be removed from the entity's premises without authorization, misappropriated, subjected to personal use or theft.
- 1.3.1.6 The lack of asset movement log may make it difficult to keep track of assigned or transferred assets, which may lead to misuse, loss or theft of assets without being noticed.
- 1.3.1.7 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 entity's objectives.
- 1.3.1.8 Fixed Assets not coded may be susceptible to theft or diverted to personal use.

### **Recommendation**

- 1.3.1.9 Management should develop, approve and operationalize a fixed asset management policy to regulate fixed assets activities of the entity.
- 1.3.1.10 Management should ensure that the fixed assets register is updated to reflect the following; description, class, code, location, condition, and cost of the asset.
- 1.3.1.11 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.
- 1.3.1.12 Management should conduct periodic fixed assets count and /or verification to determine the current condition and location of the assets. Evidence of physical verification should be adequately documented and filed to facilitate future review.

- 1.3.1.13 The Fixed Assets Register should be updated periodically to reflect all the entity's assets.
- 1.3.1.14 Fixed Assets within a particular vicinity should be clearly displayed as required by the PFM Act.
- 1.3.1.15 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 assets.

#### Management's Response

- 1.3.1.16 *We take note and will follow the recommendations.*

#### Auditor General's Position

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

### 1.4 IT System and Computerized Environment

#### 1.4.1 Irregularities Associated with the Distributed ICT Equipment

##### Criteria

- 1.4.1.1 Section 16.1 of the General Condition of Contract (GCC 16.1) states that Thirty-Five Percent (35%) of the total contract price shall be paid to the Contractor/Supplier upon delivery, and successful installation of the computers, other and related accessories in the designated schools at US\$307,334.30 (Three Hundred Seven Thousand Three Hundred Thirty-Four United States Dollars Forty-Cents).
- 1.4.1.2 Section 14.1, Supplier's Responsibilities of the ICT Equipment & Related Accessories, Contract Document states "The Supplier shall supply all the Goods and Related services included in the scope of supply in accordance with GCC Clause 12, and the delivery and completion schedule, as per GCC Clause 13.

##### Observation

- 1.4.1.3 During the audit, we observed that Management made payments to the suppliers/contractors for the supply and installation of ICT equipment. However, we observed the following irregularities associated with ICT equipment procured:
- All laptop computers antivirus had expired.
  - All laptop computers Microsoft were trial version
  - Some schools did not receive the approved number of laptops. **See table 14 below for details.**

**Table 14: Irregularities Associated with the Distribution of ICT Equipment**

No.	County	No. of Sch.	Laptop Supplied	Out Standing Laptops	Router	Printer	Remarks
1.	Montserrado	36	720	36	36	36	All laptops have expired while the Microsoft is a trial version
2.	Margibi	9	180	9	9	9	All laptops have expired while

No.	County	No. of Sch.	Laptop Supplied	Out Standing Laptops	Router	Printer	Remarks
3.	Bong	16	320	16	16	16	the Microsoft is a trial version All laptops have expired while the Microsoft is a trial version
4.	Nimba	22	440	462	22	22	All laptops have expired while the Microsoft is a trial version
5.	Lofa	16	320	16	16	16	All laptops have expired while the Microsoft is a trial version
6.	Grand Gedeh	10	200	10	10	10	All laptops have expired while the Microsoft is a trial version
7.	RiverGee	3	60	3	3	3	All laptops have expired while the Microsoft is a trial version
8.	Maryland	6	120	6	6	6	All laptops have expired while the Microsoft is a trial version
9.	Grand Kru	6	120	6	6	6	All laptops have expired while the Microsoft is a trial version
10.	Sinoe	7	40	7	7	7	All laptops have expired while the Microsoft is a trial version
11.	Rivercess	3	60	3	3	3	All laptops have expired while the Microsoft is a trial version
12.	Grand Bassa	3	60	3	3	3	All laptops have expired while the Microsoft is a trial version
13.	Bomi	6	120	6	6	6	All laptops have expired while the Microsoft is a trial version
14.	Grand Cape Mount	9	180	9	9	9	All laptops have expired while the Microsoft is a trial version
15.	Gbarpolu	4	80	4	4	4	All laptops have expired while the Microsoft is a trial version
Total		156	3,020	596	156	156	

### Risk

- 1.4.1.4 Payment may be made for goods not received or not received up to approved specifications. This may impair the achievement of value for money and project deliverables.

### Recommendation

- 1.4.1.5 Management should account for the variance between the approved budgeted laptops and actual receipts of laptops per school.
- 1.4.1.6 Management should immediately alert the supplier about the expired anti-virus and Microsoft trial version and ensure that the anti-virus is renewed and licensed version of Microsoft obtained.
- 1.4.1.7 Going forward, Management should facilitate periodic reconciliation among goods ordered, goods received, and goods subsequently distributed to the beneficiaries of the project. Gaps identified should be investigated and resolved where applicable in a timely manner. Evidence of periodic reconciliation reports should be adequately documented and filed to

facilitate future review.

- 1.4.1.8 Management should facilitate periodic monitoring and evaluation of all projects deliverables to ensure value for money is achieved and project deliverables are optimized. Discrepancies identified should be investigated and resolved in a timely manner. Evidence of periodic monitoring and evaluation reports should be adequately documented and filed to facilitate future review.

**Management's Response**

- 1.4.1.9 *Regarding the observation that "Some schools did not receive the approved number of laptops", this is true as at the time. We had the teacher laptops for some schools that were used for the rollout teacher training on the use and maintenance of the LMS. We have since started delivering these laptops to the schools concerned. Please see the attached evidence of delivery. Regarding the expiration of the antivirus and the allegation of use of a trial version of Microsoft office software, we will follow up on this and do the needful as per the recommendations made above. (See attached Exhibit IX: Evidence of Delivery)*

**Auditor General's Position**

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

## ANNEXURES

### Annexure 1: Purchases Outside Approved Procurement Plan

No.	Payee	Nature of Transaction	PV Number	Amount
1.	Channel Logistics	Being vehicle rental service for Comprehensive project review across the country by PFMU internal audit Team as per documents attached under the IRISEP Project	IRISEP/2024/065	13,365.00
2.	Channel Logistics	Representing Servicing of two Toyota Land Crusher Vehicle Plate # LB-2368 and LB-6498 as per documents attached under the IRISE Project	IRISEP/2024/003	3,305.70
3.	Channel Logistics	Servicing of two Toyota Land Crusher Jeeps with Plate No# LB-6499 and LB-2368 as per document attached under the IRISEP	IRISEP/2024/203	2,888.55
4.	Tangerine Solutions Inc.	Representing supply of ICT Equipment for the training of the Education Management System (EMIS) Staff under the IRISE Project.	IRISEP/2024/223	33,320.00
5.	Zenith Multipurpose Company	Representing Vehicle Rental service for the Monitoring and Evaluation of the IRISE Project in 156 public and community senior high schools in Liberia. as per the document attached.	IRISEP/2024/205	15,732.00
6.	Tangerine Solutions Inc	Representing the Provision of one (1) Laptop Computer and Two (2) Pcs of External Hard Disks to the PDT Office under the IRISE Project	IRISEP/2024/090	1,710.10
7.	Channel Logistics	Representing the supply of six (6) pcs of tires (235/85/R16) for Toyota Land Cruiser with Plate number LB-2369 and LB-2368 and Servicing of One Toyota Land Crusher Pickup with Plate #LB-6499 and Two Land Crusher Jeeps with Plate# LB-2369 and LB-2369 as per documents attached under the IRISEP Project	IRISEP/2024/080	4,855.95
8.	Channel Logistics	Representing Servicing of two Toyota Land Crusher Vehicle plate #LB-22368 and LB-6499 as per documents attached under the IRISE Project.	IRISEP/2024/038	3,816.45
9.	Leonard World Tours	Payment for the provision of round-trip air ticket for Capacity Building Training in Kampala, Uganda for MoE Staff	IRISPE/2024/165	6,758.40
10.	Prince Travels	Payment for the provision of round-trip air ticket for Capacity Building Training in Kampala, Uganda for MoE Staff	IRISPE/2024/211	5,444.32
11.	Zenith Multipurpose Company	Payment representing vehicle rental service for the conduct of distribution of textbooks in the following counties; Sinoe, Grand Kru, Grand Gedeh, Rivergee, Bomi and Maryland.	IRISEP/2024/056	32,854.00

No.	Payee	Nature of Transaction	PV Number	Amount
12.	Lux Logistic Corporation	Payment representing vehicle rental service for the conduct of distribution of textbooks in the following counties; Sinoe, Grand Kru, Grand Gedeh, and Margibi.	IRISEP/2024/061	16,344.00
13	NP Liberia	Fuel supply: NP Liberia	2024/114	2,356.90
14	NP Liberia	Cost of fuel	2024/001	1,584.66
15	NP Liberia	NP Liberia, supply fuel	2024/228	1,900.71
16	NP Liberia	Fuel Supply: NP Liberia	2024/021	2,007.24
17	NP Liberia	Fuel: NP Liberia	2024/238	2,111.90
18	NP Liberia	NP Liberia, supply fuel	2024/229	2,661.00
19	NP Liberia	Fuel supply: NP Liberia	2024/022	3,232.71
20	NP Liberia	Fuel for M&E: NP Liberia	2024/139	3,252.82
21	NP Liberia	Fuel supply: NP Liberia	2024/140	4,985.07
22	NP Liberia	Staff DSA, Incid & fuel	2024/063	5,000.00
23	NP Liberia	Fuel-NP Liberia	2024/201	5,034.77
24	NP Liberia	Fuel for PDT: NP Liberia	2024/141	5,195.50
25	NP Liberia	NP Lib: Fuel for PIU Opera	2024/094	5,710.10
26	NP Liberia	Cost of fuel	2024/002	6,428.44
27	NP Liberia	Staff DSA & Fuel: Listed	2024/092	13,378.00
28	Listed staff	Lunch for staff coding assets	2024/207	2,400.00
<b>Total</b>				<b>US\$207,634.29</b>

#### Annexure 2: Solar System not Producing the Required Output

Counties	Name of School	Description
Bong	Martha Tubman Jr. & Sr. High School	Not on Fixed Asset Registry
	Flehla Public High School	Not on Fixed Asset Registry
	E.J. Yancy Public High School	Not on Fixed Asset Registry
	David Fejue Elem. Jr. & Sr. High School	Not on Fixed Asset Registry
	Suakoko Central High School	Not on Fixed Asset Registry
	G.W. Gibson High School	Not on Fixed Asset Registry
	Dolokelen Gboveh High School	Not on Fixed Asset Registry
Lofa County	Foya Central High School	Not on Fixed Asset Registry
	Tamba Taylor High School	Not on Fixed Asset Registry
	Bolahum Public High School	Not on Fixed Asset Registry
	Massabolahum Public High School	Not on Fixed Asset Registry
	Kolahum Central Public High School	Not on Fixed Asset Registry
	Voinjama Multilateral High School	Not on Fixed Asset Registry
	Tellewoyan High School	Not on Fixed Asset Registry
	Konia Public High School	Not on Fixed Asset Registry
	Sumokota Public School	Not on Fixed Asset Registry
	Sucromu Public High School	Not on Fixed Asset Registry
Nimba	Salayea Senior High School	Not on Fixed Asset Registry
	W.V.T.S Constructed High School	Not on Fixed Asset Registry
	Francis N. Maweah Public High School	Not on Fixed Asset Registry
	J.W. Pearson Central High School	Not on Fixed Asset Registry
	Johnny Voker High School	Not on Fixed Asset Registry
	Saclepea Central High School	Not on Fixed Asset Registry
	Vamie Memorial High School	Not on Fixed Asset Registry

Counties	Name of School	Description
Grand Gedeh	Tappeh Memorial High School	Not on Fixed Asset Registry
	Toe Memorial Institute	Not on Fixed Asset Registry
	Suah Memorial Institute	Not on Fixed Asset Registry
	Johnny Garley Memorial High School	Not on Fixed Asset Registry
	Tubman Wilson Institute	Not on Fixed Asset Registry
	Child Friendly School	Not on Fixed Asset Registry
	Putu Central High School	Not on Fixed Asset Registry
Rivergee	Gbeapo Multilateral High School	Not on Fixed Asset Registry
	Tweh Jaklay High School	Not on Fixed Asset Registry
	Tom Wah Memorial Institute	Not on Fixed Asset Registry
	Webbo High School	Not on Fixed Asset Registry
Maryland	Karloken Jr. & Sr. High School	Not on Fixed Asset Registry
	Cape Palmas High School	Not on Fixed Asset Registry
	John Hilary Tubman Jr. & Sr. High School	Not on Fixed Asset Registry
	Barraken High School	Not on Fixed Asset Registry
	Pleebo High School	Not on Fixed Asset Registry
	Pleebo Extension High School	Not on Fixed Asset Registry
Grandkru Co.	Samford Dennis High	Not on Fixed Asset Registry
	Garraway Central High School	Not on Fixed Asset Registry
	Barclay Central High School	Not on Fixed Asset Registry
Sinoe	Juarzon Central High School	Not on Fixed Asset Registry
	Sinoe Multilateral High School	Not on Fixed Asset Registry
Rivercess	Neegbah Public High School	Not on Fixed Asset Registry
	Cestos High School	Not on Fixed Asset Registry
	Yarpah Public High School	Not on Fixed Asset Registry
Margibi	Weala Public School	Not on Fixed Asset Registry
	E.J. Yancy	Not on Fixed Asset Registry
	Lango Lippaye Public High School	Not on Fixed Asset Registry
	BWI	Not on Fixed Asset Registry
	Harbel Multilateral High School	Not on Fixed Asset Registry
Grand Cape Mount	Dolo Town Public High School	Not on Fixed Asset Registry
	Sinje Town Public High School	Not on Fixed Asset Registry
	Bo- Community Public School	Not on Fixed Asset Registry
	Tienii Public High School	Not on Fixed Asset Registry
Bomi	C.H. Dewey Public High School	Not on Fixed Asset Registry
	Beajah Public School	Not on Fixed Asset Registry

**Annexure 3: Irregularities Associated with Fixed Asset Management**

DATE OF ACQUISITION	MAKE	MODEL	SERIAL NUMBER	VALUE/COST (US\$)	IDENTIFICATION CODE	ASSIGNEE	CONDITION	Location	COMMENT
30/12/19	Office Desk	Single work station	N/A	290.00	MOE/IRISE/FUR/009	Senior Accountant	FAIR		Not seen
Jan. 20/21	Office Desk	Executive Desk	N/A	700.00	MOE/IRISE/FUR/48	PC Office	DAMAGE	PDT	Not seen
Sept. 14/2022	Chair	Semi-Executive chair	N/A	150.00	GSA-MOE/IRISE/RC/420-9	M & E	GOOD	PDT	Not seen
Sept. 14/2022	Chair	Semi-Executive chair	N/A	150.00	GSA-MOE/IRISE/RC/420-	M & E	GOOD	PDT	Not seen
30/12/19	Chair	Executive chair	N/A	170.00	MOE/IRISE/FUR/49	PC Office	DAMAGE	PDT	Not seen
30/12/19	Visitor Chair	Regular Office Chair	N/A	75.00	MOE/IRISE/FUR/50	PC Office	DAMAGE	PDT	Not seen
30/12/19	Visitor Chair	Regular Office Chair	N/A	75.00	MOE/IRISE/FUR/51	PC Office	DAMAGE	PDT	Not seen
30/12/19	Visitor Chair	Regular Office Chair	N/A	75.00	MOE/IRISE/FUR/45	PDT	DAMAGE	PDT	Not seen
30/12/19	Visitor Chair	Regular Office Chair	N/A	75.00	MOE/IRISE/FUR/46	PDT	DAMAGE	PDT	Not seen
30/12/19	Lenovo	Lenovo Pad	PF1GCH69	780.00	MOE/IRISE/EQ/002	Charsley Kumbley	DAMAGE	Guidance & Counselling	Not seen
30/12/19	Lenovo	Lenovo Pad	PF1GMDTQ	780.00	MOE/IRISE/EQ/004	FIN. & AA	DAMAGE	PDT	Not seen
30/12/19	Lenovo	Lenovo Pad	PF1GL8N4	1,050.00	MOE/IRISE/EQ/005	Morris Monuba	DAMAGE	Procurement	Not seen
30/12/19	Lenovo	Lenovo Pad	PF1GCBK Y	780.00	MOE/IRISE/EQ/007	Gboima B. Kamo	DAMAGE	Teacher's Edu.	Not seen
30/12/19	Lenovo	Lenovo Pad	PF1GBPY C	780.00	MOE/IRISE/EQ/009	Garmondyu Zogar	DAMAGE	Safe Guard Specialist	Not seen
30/12/19	Lenovo	Lenovo Pad		780.00	MOE/IRISE/EQ/010	Abraham Kaizolu	DAMAGE	PDT	Not seen



DATE OF ACQUISITION	MAKE	MODEL	SERIAL NUMBER	VALUE/COST (US\$)	IDENTIFICATION CODE	ASSIGNEE	CONDITION	Location	COMMENT
30/12/19	Lenovo	Lenovo Pad		780.00	MOE/IRISE/EQ/068	Jimmy Early	FAIR	Physical Environment	Not seen
August 10/2021	Laptop	DELL	N/A	1,495.00	MOE/IRISE-ICT/EQ-056	Augustine Goe	FAIR	Finance	Not seen
Sept. 26/2022	Laptop	Lenovo Pad	N/A	1,530.00	GSA-MOE-IRISE/MIL-297-6	Zarwu K. Zaizay	DAMAGE	Const. Manager	Not seen
Sept. 26/2022	Laptop	Lenovo Pad	N/A	1,530.00	GSA-MOE-IRISE/MIL-297-1	Lawrence S. Taylor	DAMAGE	PDT	Not seen
Sept. 26/2022	Laptop	Lenovo Pad	N/A	1,530.00	GSA-MOE-IRISE/MIL-297-3	Fasam Howard	FAIR	School Grant Focal Person	Not seen
Sept. 30/2022	Laptop	Lenovo Pad	N/A	1,835.00	GSA-MOE-IRISE/MIL-297-4	God Gift R. E. Obahor	DAMAGE	Multimedia	Not seen
August 10/2021	HP Color Printer	Printer	N/A	945.00	MOE/IRISE-ICT/EQ-062	PDT	DAMAGE		Not seen
August 10/2021	HP Color Printer	Printer	N/A	945.00	MOE/IRISE-ICT/EQ-066	DPC	DAMAGE		Not seen
July 20/2023	Laptop	HP	N/A	1,957.50	GSA-MOE/IRISE-MLT-297-2	EMIS Office	NEW	Planning	Not seen
July 20/2023	Laptop	HP	N/A	1,957.50	GSA-MOE/IRISE-MLT-297-4	EMIS Office	NEW	Planning	Not seen
July 20/2023	Laptop	HP	N/A	1,957.50	GSA-MOE/IRISE-MLT-297-5	EMIS Office	NEW	Planning	Not seen
July 20/2023	Laptop	HP	N/A	1,957.50	GSA-MOE/IRISE-MLT-297-7	EMIS Office	NEW	Planning	Not seen
July 20/2023	Laptop	HP	N/A	1,957.50	GSA-MOE/IRISE-MLT-297-10	EMIS Office	NEW	Planning	Not seen
July 20/2023	Laptop	HP	N/A	1,957.50	GSA-MOE/IRISE-MLT-297-11	EMIS Office	NEW	Planning	Not seen
July 20/2023	Laptop	HP	N/A	1,957.50	GSA-MOE/IRISE-MLT-	EMIS Office	NEW	Planning	Not seen



DATE OF ACQUISITION	MAKE	MODEL	SERIAL NUMBER	VALUE/COST (US\$)	IDENTIFICATION CODE	ASSIGNEE	CONDITION	Location	COMMENT
					297-12				
July 20/2023	Desktop	HP	N/A	1,845.00	GSA-MOE/IRISE-MLCD-297-2	EMIS Office	NEW	Planning	Not seen
July 20/2023	Keyboard	HP	N/A		GSA-MOE/IRISE-MLT-297-2	EMIS Office	NEW	Planning	Not seen
20/8/2020	Toyota	Landcruiser Jeep		41,000.00	MOE/IRISE/EQ/02-35	PC	FAIR	PDT	Not Seen
15/08/23	Toyota	Landcruiser Jeep		49,000.00	MOE/IRISE/EQ/03-35	PC	NEW	PDT	Not Seen
15/08/23	Toyota	Landcruiser Pickup		49,000.00	MOE/IRISE/EQ/05-38	PC	NEW	PDT	Not Seen
15/08/2023	Toyota	Landcruise Jeep		49,000.00	MOE/IRISEP/EQ/	PC	NEW	PDT	Not Seen
15/08/2023	T0y0ta	Landcruise Pickup		49,000.00	MOE/IRISEP/05-8	PC	NEW	PDT	Not Seen



EXHIBITS

Exhibit 1: Irregularities Associated with Solar Lighting System



Exhibits-2: Delay in the Construction of Repackaged Works



Site: Gbanken Grand Kru County Date: April 20, 2025 @11:15am



**Site: Niffu, Grand Kru County Date: April 21, 2025 @5:35pm**



**Site: Fennitoe, Grand Kru County Date: April 21, 2025 @10:35am**  
**Exhibit 3: Project Deliverable not Completed up to Approved Specifications**



### STATUSES ON THE IMPLEMENTATION OF PRIOR YEAR AUDIT RECOMMENDATION

Recommendations conveyed during financial statements audit of Improving Results in Secondary Education (IRISE) for January 1, 2023 to December 31, 2023 are yet to be implemented by Management of the PIU as indicated in the **Table below:**

No.	Findings	Description of Recommendation	Source (paragraphs)	Management's Response	Auditor General's Position	Status of Recommendation	Activities performed	Outstanding activities
1	Irregularity Associated with ICT Equipment Procurement and Payment (computers and printers)	Management should account for the 11 Lenovo Laptops and HP Printers not provided for verification during our physical verification exercise.  Going forward, Management should conduct periodic fixed assets count and /or verification to determine the current condition and location of the assets. Evidence of physical verification should be adequately documented and filed to facilitate future review	1.1.9.5	First, the Management of the IRISE Project believes it is a use of wrong choice of words for the draft audit ML to carry the title "Irregularity Associated with ICT Equipment procurement and payment (computers and printers)". The audit team at no point in time requested for the procurement documents such as Bids Evaluation Report, Good Delivery Note etc., or payment vouchers, receipts as well as other supporting documents for payment of the supplier of the 160No. laptops and printers procured for FGCs. Neither did the audit team ever request	We acknowledge Management's assertion, we will follow-up on the recommendations during subsequent audit. However, we maintain our findings and recommendations.	Not implemented	None	Management should ensure to implement the Auditor General's Recommendations



No.	Findings	Description of Recommendation	Source (paragraphs)	Management's Response	Auditor General's Position	Status of Recommendation	Activities performed	Outstanding activities	
				<p>from the Management of IRISE Project the evidence of distribution of the 160No. laptops and printers to the FGCs. The only document that was requested from the Project was the Fixed Asset Register (FAR), which also contains the list of laptops and printers assigned to FGCs. On the basis of what audit evidence then is the audit team making assertion of "Irregularity Associated with ICT Equipment procurement and payment (computers and printers)"?</p> <p>All IRISE project can confirm is that we did procure the equipment and delivered it to the end-user division, the Division for Guidance</p>					



No.	Findings	Description of Recommendation	Source (paragraphs)	Management's Response	Auditor General's Position	Status of Recommendation	Activities performed	Outstanding activities
				and Psychosocial Counseling at the MOE, for distribution to the FGCs. The laptops and printers were all coded and assigned to FGCs at the schools. Copies of the evidence of receipt of the laptop by each FGC is herewith attached. Some of the equipment are still in the custody of the Division for schools that do not have assigned FGC due to decline of the offer, resignation, death, and abandonment of job by some of FGCs. WE encourage the audit team to go through the evidence for final determination of its assertion of "Irregularity Associated with ICT Equipment procurement and payment (computers and printers)".				



No.	Findings	Description of Recommendation	Source (paragraphs)	Management's Response	Auditor General's Position	Status of Recommendation	Activities performed	Outstanding activities
2.	Delay in the Construction of Three Super Senior High Schools	Management should assess the current status of the work performed, the contractor's capacity to complete the construction of the schools and update the Office of the Auditor General as part of Management's response to this Management Letter.  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 deliverable and corresponding	1.1.10.6	The Management of the IRISE Project hereby acknowledge the delays observed in the construction of the 3no. New senior secondary schools. These delays were recognized by both the MoE and the World Bank as due to several causes from both the contractors and MoE sides. In recognition of these, both the World Bank and MoE along with the contractors agreed to extend the implementation timelines for the three contracts to allow for completion of the schools. Copies of these amendments are herewith attached for your consideration. Additionally, the Bank and the Government restructured the project extending the project by	We acknowledge Management's assertion, we will follow-up on the recommendations during subsequent audit. However, we maintain our findings and recommendations	Not implemented	None	Management should ensure to implement the Auditor General's Recommendations



No.	Findings	Description of Recommendation	Source (paragraphs)	Management's Response	Auditor General's Position	Status of Recommendation	Activities performed	Outstanding activities
		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 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.  Evidence of approved work plans and contracts should		13 months until December 31, 2024 in recognition of these civil works contract implementation period extensions among other reasons. Please see attached the Project Restructure Paper allowing the extension of the Project. Judging by the revised contract period, therefore, it may not be appropriate to term those contracts as delay in an audit report. Please review the evidence and make a final determination.				



No.	Findings	Description of Recommendation	Source (paragraphs)	Management's Response	Auditor General's Position	Status of Recommendation	Activities performed	Outstanding activities
		be adequately documented and filed to facilitate future review.						
3.	Abandoned Construction Site by Constructors	Management should assess the current status of the work performed, the contractor's capacity to complete the construction of the warehouse and update the Office of the Auditor General as part of Management's response to this Management Letter.  Going forward, Management should develop, approved and operationalize a work plan to facilitate the smooth implementation of service for all contractors. The	1.1.12.6	The contracts for all these sites in reference were terminated by the MoE before the arrival of the audit team to the sites. Hence, the reason for no ongoing works at the site upon arrival, which is being classified by the audit team as "abandon construction sites". Please see attached copies of the contract termination letters for your review and final consideration	We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit	Not implemented	None	Management should ensure to implement the Auditor General's Recommendations

No.	Findings	Description of Recommendation	Source (paragraphs)	Management's Response	Auditor General's Position	Status of Recommendation	Activities performed	Outstanding activities
		work plan should comprehensively catalog phases of deliverable 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 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.						

No.	Findings	Description of Recommendation	Source (paragraphs)	Management's Response	Auditor General's Position	Status of Recommendation	Activities performed	Outstanding activities
4.	Deficient Construction Work	<p>Evidence of approved work plans and contracts should be adequately documented and filed to facilitate future review.</p> <p>Management should assess the current status of the work performed, the contractor's capacity to complete the construction of the warehouse and update the Office of the Auditor General as part of Management's response to this Management Letter.</p> <p>Going forward, Management should develop, approved and operationalize a work plan to facilitate the smooth</p>	1.1.13.13	<p>The Management of IRISE do recognize that daily supervision of the site in reference by Hydroplan was a challenge at some point in time. Even the QAT regular visit to the site confirmed the absence of the assigned Hydroplan supervisor at the site in Gibi. Notwithstanding, the Quality Assurance Team regularly visited the site, identified quality issues, and notified the contract for correction of the defects. Please see attached copies of the QAT report and notices</p>	<p>We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.</p>	Not implemented	None	Management should ensure to implement the Auditor General's Recommendations



No.	Findings	Description of Recommendation	Source (paragraphs)	Management's Response	Auditor General's Position	Status of Recommendation	Activities performed	Outstanding activities
		implementation of service for all contractors. The work plan should comprehensively catalog phases of deliverable 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 facilitate periodic monitoring and evaluation of project activities to ensure that services paid for are performed in a		to the contractor for the auditor's review and final determination of your claim that "No evidence of monitoring" of the site in Gibi.				



No.	Findings	Description of Recommendation	Source (paragraphs)	Management's Response	Auditor General's Position	Status of Recommendation	Activities performed	Outstanding activities
		timely manner consistent with approved work plans and contracts.  Evidence of approved work plans and contracts should be adequately documented and filed to facilitate future review.						

