



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

On the Compliance Audit of the Expenditures and Operations of the Liberia Broadcasting System (LBS)

For the Fiscal Periods July 1, 2019 through December 31, 2023

November 2025

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



Republic of Liberia



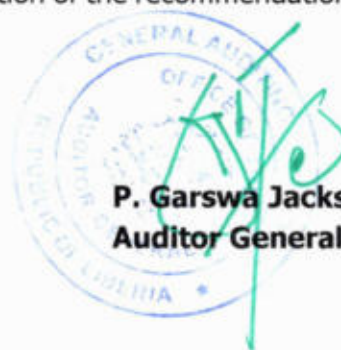
TRANSMITTAL LETTER

**THE HONORABLE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE
HONORABLE PRESIDENT PRO- TEMPORE OF THE HOUSE OF SENATE**

We have undertaken a Compliance Audit of the Expenditure and operations of the Liberia Broad Casting System (LBS) for the periods July 1, 2019 to December 31, 2023. The audit was conducted in line with Section 2.1.3 of the General Auditing Commission (GAC) Act of 2014.

Finding convey in this report were formally communicated to the authorities of the Liberia Broad Casting System (LBS) for their responses. The reportable issues were submitted through a Management Letter. Where responses were provided, they were evaluated and were incorporated in this report.

Given the significance of the matters raised in this report, we urge the Honorable Speaker and Members of the House of Representatives and the Honorable Pro- Tempore and Members of the Liberian Senate to consider the implementation of the recommendations conveyed in this report with urgency.



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

Monrovia, Liberia
March 2026



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Acronyms

Acronyms/Abbreviations/Symbol	Meaning
ACCA	Association of Chartered Certified Accountants
AG	Auditor General
CFC	Certified Financial Consultant
CFIP	Certified Forensic Investigation Professional
DSA	Daily Sustenance Allowance
FAR	Fixed asset Register
GAC	General Auditing Commission
GOL	Government of Liberia
GRN	Goods Received Note
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standards of Supreme Audit Institutions
LD	Liberian Dollars
MFDP	Ministry of Finance and Development Planning
ML	Management Letter
NCB	National Competitive Bidding
PFM	Public Financial Management
PPCA	Public Procurement & Concession Commission Act
PPCC	Public Procurement & Concession Commission
PV	Payment Voucher
RFQ	Request for quotation
LBS	Liberia Broadcasting System
USD	United States Dollars

March 12, 2026

Hon. Eugene L. Fahngon
Liberia Broad Casting System (LBS)
Republic of Liberia

Compliance Audit Report on the Expenditure and Operations of the Liberia Broad Casting System (LBS) for the periods July 1, 2019 to December 31, 2023.

Adverse Conclusion

The General Auditing Commission has concluded a compliance audit of the Expenditure and operations of the Liberia Broad Casting System (LBS). The audit has been conducted in compliance with relevant laws and regulations consistent with the Auditor General's mandate as provided for in Section 2.1.3 of the General Auditing Commission (GAC) Act of 2014 as well as in accordance with the Public Financial Management (PFM) Act and Regulations of 2009 as Amended and Restated (2019).

Based on the audit work performed, because of the significance of the non-compliance matters noted in the Basis for Conclusion paragraphs below, the subject matter is not in all material respect, in compliance with the Revenue Code of Liberia Act of 2011, Public Financial Management Act 2009 and its Regulation, as Amended and Restated (2019), Public Procurement and Concession Act of 2005 as Amended and Restated 2010 and its Regulations, Civil Service Standing Order, Decent Work Act of 2015, Committee of Sponsoring Organizations of the Treadway Commission (COSO), and LBS Policies and Procedures for the periods July 1, 2019 to December 31, 2023.

Basis for Adverse Conclusion

During our compliance audit of the Liberia Broad Casting System (LBS) for the periods July 1, 2019 to December 31, 2023, we identified several significant non-compliance issues that have led to our adverse conclusion. The LBS Management did not comply with Relevant Laws, Regulations, Policies and Procedures due to the following reasons:

Governance

- There was no evidence of Board's meeting minutes to facilitate oversight and review of Management functions.
- There was no evidence of Senior Management meeting minutes to facilitate oversight and review of Management functions.
- There was no evidence of a functional Monitoring and Evaluation Committee (M&E) to provide the required oversight for the full implementation of planned activities within approved timelines, evidenced by the absence of approved annual monitoring & evaluation plans and periodic activities reports.
- There was no evidence that Management established an audit committee to monitor and

address audit matters at the Entity as required.

- There was no evidence that Management had a documented training and development plan for staff(s) of the entity.

Budget Management

- There was no evidence of a functional budget committee.
- There was no evidence that Management established a functional Budget Unit or employed a Budget Officer to record actual revenue collection and expenditure disbursement in a timely manner, for the period under audit.
- There was no evidence of an annual budget comprehensively cataloging all projected sources of revenue and planned expenditures for the fiscal periods July 1, 2019/2020 to December 31, 2023.

Revenue Management

The following irregularities associated with internally generated revenue (Airtime / Other receipts):

- The internally generated revenue was not comprehensively projected and reported in the approved internal budget of the entity.
- Internally generated revenue was collected through cash and not deposited in the entity's accounts in a timely manner.
- No evidence of reconciliation between cash collected and cash subsequently deposited in the entity's accounts.
- Approved proceeds were not consistent with other receipts (intake) reported on receipts and invoices.
- No evidence of periodic internally generated revenue reports.
- Further, there was no evidence of supporting documents such as; invoices, credit memos, receipts, etc. for revenue / receipts totaling US\$4,674.00 from media service agreement between the United Bank of Africa (Liberia Limited) and LBS to carry out TV jingles broadcast and host radio talk show for a period of three (3) months commencing September 21, 2022 to December 21, 2022.

Financial Reporting

- Management did not provide justification for material variances for amounts reported in the general ledgers, trial balance and the financial statements for revenue and expenditures for the periods FY 2019/2020 to FY 2023.

Expenditure Management

- Management did not provide supporting documents such as payment vouchers, invoices, receipts, delivery notes, contracts, service completion certificate, etc. for expenditures totaling US\$407,049.24.
- Management made several third-party payments amounting to US\$8,066.13 to an employee of the entity rather than making direct payment to service providers or their legally authorized representatives. Further, there is no evidence of adequate supporting documents to substantiate the legitimacy of the third-party transactions.

Procurement Management

The following irregularities associated with the procurement system:

- There was no evidence of periodic (quarterly and annual) procurement activities report submitted to PPCC.
- No evidence of application of the requisite methods (Request for quotation, national competitive bidding, sole sourcing, restricted bidding, international competitive bidding, etc.) for expenditure amounting to US\$28,225.00 and L\$562,870.00. **Reference Appendix 1 for details.**
- There was no evidence of goods & services tax (GST) (2% or 4% for goods, 10% and 15% for service and consultancy of resident and non-resident respectively and 1% for petroleum products) US\$58,489.30 and L\$91,800.00 being withheld and remitted into GoL Revenue Account for the purchase of goods and services.

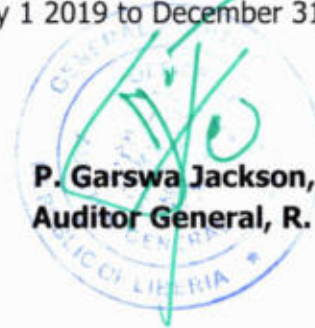
Personnel Management

- Management did not maintain personnel records such as; Personnel Action Notice (PAN), Medical Records, Police Clearance, etc. **Reference Appendix 2 for details.**
- There was no evidence of payment receipts for remittance of employees' and employer contributions amounting to US\$29,305.17 made to NASSCORP for the periods under review. **Reference Appendix 3 for details.**
- Some staff contractors received salaries disbursement through the issuance of checks or disbursement of cash, non-compliant to Regulation H. 8 (4) of the Public Financial Management Act of 2009 as amended and restated in 2019. **See Appendix 4 for details.**
- Several employees who have exited the entity were still maintained on the payroll beyond statutory periods. **See Appendix 5 for details.**

*AUDITOR GENERAL'S REPORT On the
Compliance Audit of the Liberia Broadcasting System (LBS)
For the Year July 1, 2019 through December 31, 2023*

The above issues have a pervasive impact on the entity's compliance with relevant laws, regulations, and policies, causing material non-compliance and raising concerns about the entity's adherence to the required compliance framework for the periods July 1 2019 to December 31, 2023.

Monrovia, Liberia
March 2026



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

INTRODUCTION

The audit of the Liberia Broadcasting System (LBS) was commissioned by the Auditor General for the fiscal period July 1, 2019 through December 31, 2023.

Background of LBS

The Liberia Broadcasting System (LBS), previously the Liberia Broadcasting Corporation (ELBC), was established in 1956 by two permanent communication experts, Samuel Watkins and Sewell T. Brewer. By 1980, the People's Redemption Council (PRC) Government issued two Decrees (#20 & #21) on October 10, 1980 establishing the Liberia Broadcasting System (LBS) as an autonomous public broadcasting entity, comprising ELBC (FM, SW & MW), Television (TV) and Rural Communications Network (LRCN). Its primary mandate is to play a crucial role in effectively promulgating government's programs and policies and at the same time, encouraging Liberians to fully participate in the overall development of the Country without any hindrances as provided for in the Liberian Constitution.

Key Management Personnel of LBS

Name	Rank	Period of Service
Hon. Ledgerhood J. Rennie	Director General	Dec 1, 2014 - June 30, 2023
Mrs. Estelle Liberty Kemon	Deputy Director General for Administration	July 1, 2016 - June 30, 2023
Mrs. Tete F. Gebro	Deputy Director General for Media Service	July 1, 2018 - June 30, 2023
Mr. Boima J.V. Boima	Deputy Director General for Rural Broadcasting	July 1, 2018 - June 30, 2023
Mr. Fidel Johns	Comptroller	July 1, 2015 - June 30, 2023

Subject Matter

The subject matter of the compliance audit:

A compliance audit on the Expenditures and Operations of the Liberia Broadcasting System (LBS) covering the fiscal periods July 1, 2019 through December 31, 2023

Audit Criteria

The following criteria were used:

- Part 1.7.8 of the Revised Cash Basis IPSAS (November 2017)
- Regulations A.3 (1) of the PFM Act of 2009 as amended and restated 2019
- Section 40(1-2) of the Public Procurement and Concession Act of 2005 amended and restated 2010
- Regulation B.28 of the PFM Act of 2009 as Amended and Restated 2019
- Section 30 (1 and 2) of the Public Procurement and Concessions Act of 2005 as amended and restated in 2010
- Chapter 1 Section 2 (1.2.1 and 1.2.2) of the Standing Orders for the Civil Service of 2012
- Chapter 5.8 of the CSA Standing Order of 2012
- Regulation T.3 (1) (d, e and f) of the PFM Act of 2009 as Amended and Restated 2019
- Part IX, Paragraph 9.10 of National Code of Conduct of Liberia
- Section 200 of the Revenue Code of Liberia 2000 as amended in 2011
- Regulation H. 8 (4) of the Public Financial Management Act of 2009 as Amended and Restated

2019

- The Committee of Sponsoring Organizations (COSO) of the Treadway Commission Framework
- Chapter 8, Section 1, reports 8.1.1 of the Civil Servants Standing Order of 2021
- Section 905 (J) and (M) of the Revenue Code of Liberia Act of 2000
- Regulations V.4 (2) of the PFM Act of 2009 and revised in 2019
- Section 29 of the GoL Revised Travel Ordinance 2017/2018
- Chapter 22.2 (A) of the Decent Work Act, 2015 of the Republic of Liberia
- Regulation R.3 (6) of the PFM Act of 2009 as Amended and Restated 2019
- National Budget for the fiscal periods FY 2019, to 2023
- Liberia Broadcasting System (LBS) of Act of 1980

Audit Methodology

We performed our audit based on review of contract documents, specification, financial records and payment vouchers related to the periods under audit, interviewed LBS staff as well as physical verification of Assets and personnel. The audit criteria were applied to each procurement sample selected. We have documented the findings which were given to Management for comments.

The audit was conducted in accordance with ISSAI 4000 and INTOSAI's International Standards for Compliance Audit. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether LBS complied with laws and regulations.

Our audit also took cognizance of the requirements under the Auditor General's mandate as provided for under Section 2.1.3 of the GAC Act of 2014. Our audit approach included observation, inquiries, inspections, confirmation, and analytical procedures on areas we considered as high risk.

Limitation of Responsibility

We reviewed the activities and systems on the eligible expenditure operated by the LBS Management only to the extent we considered necessary for the effective conduct of this audit. As a result, our review may not have detected all weaknesses that existed or all improvements that could be made.

1 DETAILED FINDINGS AND RECOMMENDATIONS

1.1 Governance

1.1.1 Lack of Board Meeting Minutes

Criteria

- 1.1.1.1 Regulation A.3 (1) of the PFM Act of 2009 as amended and restated 2019 states that, "Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor-General, the Comptroller General, the relevant internal auditor or any officers authorized by the Minister."

Observation

- 1.1.1.2 During the audit, we observed no evidence of Board's meeting minutes to facilitate oversight and review of Management functions.

Risk

- 1.1.1.3 The strategic oversight over the function of Management may be impaired. This may impair the achievement of the institution's objectives.
- 1.1.1.4 Management may override institutional policies and procedures that may adversely impact the operations of the entity.
- 1.1.1.5 Monitoring and evaluation of the mandate and strategic and operational objectives of the entity may be impaired. This may impair the achievement of approved deliverables of the entity.

Recommendation

- 1.1.1.6 Management should facilitate the conduct of periodic Board meetings. Board's meeting minutes should comprehensively detail activities discussed, actions to implement planned activities and approved timelines. Meetings' minutes should be subsequently documented and filed to facilitate future review.
- 1.1.1.7 The Board should also institute a platform for following-up on decision made at Board's meeting. An update of progress towards previous meeting agreed actions/deliverable should be discussed during current meetings, as a medium for tracking institutional progress and planning for future activities.

Management's Response

- 1.1.1.8 *Noted, Management do take note of the Auditor General's recommendation. Currently, board meeting minutes are duly documented by the current board.*

Auditor General's Position

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

1.1.2 Lack of Senior Management Meeting Minutes

Criteria

- 1.1.2.1 Regulation A.3 (1) of the PFM Act of 2009 as amended and restated 2019 states that, "Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor-General, the Comptroller General, the relevant internal auditor or any officers authorized by the Minister."

Observation

- 1.1.2.2 During the audit, we observed no evidence of Senior Management meeting minutes to facilitate oversight and review of Management functions.

Risk

- 1.1.2.3 Monitoring and evaluation of the mandate and strategic and operational objectives of the entity may be impaired. This may impair the achievement of approved deliverables of the entity.

Recommendation

- 1.1.2.4 Management should facilitate the conduct of periodic Senior Management meetings. Senior Management meeting minutes should comprehensively detail activities discussed, actions to implement planned activities and approved timelines. Meetings' minutes should be subsequently documented and filed to facilitate future review.
- 1.1.2.5 Management should also institute a platform for following-up on decision made at Senior Management meetings. An update of progress towards previous meeting agreed actions/deliverable should be discussed during current meetings, as a medium for tracking institutional progress and planning for future activities.

Management's Response

- 1.1.2.6 *For the audit periods, LBS Senior Management had meetings and those meetings minutes were duly documented. Referenced kindly see Annexure one.*

Auditor General's Position

- 1.1.2.7 We acknowledged Management's subsequent submission of Senior Management meeting minutes after our audit execution. However, Management provision of documents after our review, does not guarantee Management effective control of expenditure liquidation and document management.

- 1.1.2.8 Going forward, Management should ensure that requested documents for audit purposes are submitted in a timely manner. Management should also ensure that meeting minutes are adequately documented and filed to facilitate future review.

1.1.3 No Evidence of Functional Monitoring & Evaluation Committee

Criteria

- 1.1.3.1 Regulation A.15 (1) of the PFM Act of 2009 as amended and restated 2019 states that "a head of government agency must exercise all reasonable care to prevent and detect unauthorized, irregular, fruitless, and wasteful expenditure, and must for this purpose implement clearly defined business processes, identify risk associated with these processes and institute effective internal controls to mitigate these risks.

Observation

- 1.1.3.2 During the audit, we observed no evidence of a functional Monitoring and Evaluation Committee (M&E) to provide the required oversight for the full implementation of planned activities within approved timelines, evidenced by the absence of approved annual monitoring & evaluation plans and periodic activities reports.

Risk

- 1.1.3.3 In the absence of effective monitoring and evaluation, project deliverables may not be achieved up to approved specifications and within approved timelines.
- 1.1.3.4 Value for money may not be achieved and resources may be subjected to misapplication and misappropriation.
- 1.1.3.5 Approved activities cataloged in the strategic and operational plans may not be achieved or achieved up to approved specifications and timelines.

Recommendation

- 1.1.3.6 Management should facilitate the establishment of a functional Monitoring and Evaluation Committee (M&E), evidenced by the documentation of planned annual activities and periodic activities reports. Evidence of approved annual plans and periodic activities reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.3.7 *Noted, Management do take note of the Auditor General's recommendation.*

Auditor General's Position

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

1.1.4 Lack of Audit Committee

Criteria

- 1.1.4.1 Regulation K.10 of the PFM Act of 2009 as amended and restated 2019 states that "the head of government agency or government organization shall in consultation with the internal audit governance board establish and maintain an audit committee for the government agency or organization for which he/she is responsible."
- 1.1.4.2 Further, Regulation K.11(1), (a) of the PFM Act of 2009 as amended and restated 2019 states that the Audit Committee of Government Agencies or Organizations shall review internal controls, including the scope of internal audit, internal audit Plans, internal audit findings, and recommend to the head of government agency the appropriate action to be taken.
- 1.1.4.3 Additionally, Regulation K.12(1-5) of the PFM Act of 2009 as amended and restated states that (1) Members of the Audit Committee shall be appointed by the Internal Audit Governance Board. (2) Membership of the Audit Committee shall consist of three or more persons as determined by the Internal Audit Governance Board, or any other enactment, each of whom shall satisfy independence, financial literacy and experience requirements and any other regulatory requirements. (3) The majority of the members of the Committee shall not be full-time employees of the government agency or organization and may or may not be accountants or auditors by profession or experts in the fields of accounting or auditing. (4) In the case of a Government Agency or state-owned enterprise, at least one person shall be from outside the public service. (5) At least one Committee member shall be a designated "audit committee financial expert" who shall be an accountant or auditor by profession or expert in the fields of accounting or auditing.

Observation

- 1.1.4.4 During the audit, we observed no evidence that Management established an audit committee to monitor and address audit matters at the institution as required.

Risk

- 1.1.4.5 Audit issues and lapses identified in the entity's internal control system may not be appropriately monitored and addressed due to the lack of audit committee.
- 1.1.4.6 Internal and external audit recommendations may not be monitored and implemented in a timely manner.

Recommendation

- 1.1.4.7 Management should liaise with the relevant authority to establish a functional audit committee. Evidence of periodic meetings minutes and activities reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.4.8 *Noted, Management do take note of the Auditor General's recommendation. Going forward the current board has constituted the audit committee.*

Auditor General's Position

- 1.1.4.9 We acknowledge Management's acceptance of our finding and recommendation. We will follow up on the implementation of our recommendation during subsequent audit.

1.1.5 Training and Development Plan

Criteria

- 1.1.5.1 The Committee of Sponsoring Organizations of the Tradeway Commission (COSO) states, that "commitment to competence includes the level of knowledge and skill needed to help ensure orderly, ethical, economical, efficient and effective performance, as well as a good understanding of individual responsibilities with respect to internal control".

- 1.1.5.2 The above can be evidenced by providing training, to raise the awareness of management and employees of the internal control objectives and, in particular, the objective of ethical operations, and helps them to understand the internal control objectives and to develop skills to handle ethical dilemmas.

Observation

- 1.1.5.3 During the audit, we observed no evidence that Management had a documented training and development plan for staff(s) of the entity.

Risk

- 1.1.5.4 Lack of training and development plans may result in training programs not being able to address employees' training needs and performance deficiencies.
- 1.1.5.5 In the absence of an annual training plan, training may be conducted arbitrarily. This may impair the development plan and the required capacity of staff of the entity.
- 1.1.5.6 In the absence of periodic training/capacity-building initiatives, staff may not obtain the required capacity needed to achieve the objectives of the entity.

Recommendation

- 1.1.5.7 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.'
- 1.1.5.8 Evidence of annual capacity development plan should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.5.9 *Noted, Management do take note of the Auditor General's recommendation. However, LBS staff were duly trained locally and internationally during the years under audit.*

Auditor General's Position

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

1.2 Budget Management

1.2.1 No Evidence of a Functional Budget Committee

Criteria

- 1.2.1.1 Regulation D.16.1 of the PFM Act of 2009 as amended and restated 2019 states that "Every head of government agency shall establish a Budget Committee which shall be responsible for budget formulation, implementation, monitoring and evaluation made up of (a) the head of government agency, who shall be the chairperson; and (b) Heads of budget management centers or cost centers)".

Observation

- 1.2.1.2 During the audit, we observed no evidence of a functional budget committee.

Risk

- 1.2.1.3 In the absence of a functional budget committee, effective monitoring and evaluation of revenue and expenditure may be impaired. This may lead to under receipt of budgeted revenue and / or over expenditure.
- 1.2.1.4 Periodic Budget Performance Reports may not be prepared adequately or in a timely manner.
- 1.2.1.5 Management may be non-compliant with Regulation D.16.1 of the PFM Act of 2009 as amended and restated 2019.

Recommendation

- 1.2.1.6 Management should facilitate the establishment of a functional Budget Committee, evidenced by the documentation of attendance records, meeting minutes, and periodic activities reports. Evidence of attendance records, meeting minutes, and periodic activities reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.2.1.7 *Noted, Management do take note of the Auditor General's recommendation. Currently, a Budget Committee has been constituted.*

Auditor General's Position

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

1.2.2 No Evidence of a Budget Unit

Criteria

- 1.2.2.1 Regulations A.1 of the PFM Act of 2009 as amended and restated 2019 states that "the public shall be provided with full access to all appropriate information concerning the financial affairs of the Government. This will include, but not limited to, information about the development of annual and supplementary budget estimates, the quarterly fiscal outturn reports issued by the Ministry, the monthly revenue and quarterly budget performance reports of ministries and agencies state owned enterprises their annual accounts and reports and the Government's annual audited accounts".

Observation

- 1.2.2.2 During the audit, we observed no evidence that Management established a functional Budget Unit or employed a Budget Officer to record actual revenue collection and expenditure disbursement in a timely manner, for the period under audit.

Risk

- 1.2.2.3 In the absence of a Budget Officer/ Budget Unit, actual revenue and expenditure may not be recorded in a timely manner. This may impair budget monitoring and evaluation, which may lead to under receipt of budgeted revenue and / or over expenditure.

Recommendation

- 1.2.2.4 Management should facilitate the immediate establishment of a Budget Unit, competitively hire qualified and experienced budget officers/ accountants to manage the activities of the unit.
- 1.2.2.5 The Budget Unit upon establishment should facilitate real time recording of actual revenue and expenditure and prepare periodic (quarterly and annual) budget performance reports for onward submission to the relevant authorities as required. Evidence of periodic budget performance reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.2.2.6 *Noted, Management do take note of the Auditor General's recommendation.*

Auditor General's Position

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

1.2.3 No Evidence of Internal Budget

Criteria

- 1.2.3.1 Regulation O.1.1&2 of the PFM Act of 2009 as restated in 2019 states "(1) All government agencies shall provide in their annual budgetary estimates, their expected revenue collections and internally generated funds. (2) A head of government agency is personally responsible for ensuring that adequate safeguards exist and are applied for the assessment, collection of and accounting for such revenues and other public moneys relating to their agencies, departments or office".

Observation

- 1.2.3.2 During the audit, we observed no evidence of an annual budget comprehensively cataloging all projected sources of revenue and planned expenditures for the fiscal periods July 1, 2019/2020 to December 31, 2023.

Risk

- 1.2.3.3 The completeness and accuracy of revenue and expenditures may not be assured. This may lead to subsequent misstatement of financial statements.
- 1.2.3.4 Management may not fully account for activities/assets of the entity.
- 1.2.3.5 Management may not pursue and collect all projected revenue. Unplanned approved projected expenditures may facilitate misapplication and misappropriation of public funds.

Recommendation

- 1.2.3.6 Management should facilitate the preparation of annual budgets comprehensively cataloging all projected sources of revenue of the entity and planned expenditures. The annual budget should be subsequently approved by the Superintendent.
- 1.2.3.7 Evidence of approved annual budgets should be adequately documented and filed to facilitate future review.

Management's Response

- 1.2.3.8 *For the periods audited, LBS had internal budgets. Referenced kindly see Annexure Four.*

Auditor General's Position

- 1.2.3.9 Management's assertions did not adequately address the issues raised. Schedules presented in Annexure four represented bulk projection of revenue and expenditure for FYs 2022 and 2023 only. There was no detailed analysis for projection of revenue and expenditure for the respective fiscal years, neither where there corresponding narratives and evidence of board approval for the projections. No instrument was provided for the FYs 2019/2020 and 2020/2021. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.3 Revenue Management

1.3.1 Irregularities Associated with Internally Generated Revenue

Criteria

- 1.3.1.1 Regulation O.1.1&2 of the PFM Act of 2009 as restated in 2019 states “(1) All government agencies shall provide in their annual budgetary estimates, their expected revenue collections and internally generated funds. (2) A head of government agency is personally responsible for ensuring that adequate safeguards exist and are applied for the assessment, collection of and accounting for such revenues and other public moneys relating to their agencies, departments or office”.

Observation

- 1.3.1.2 During the audit, we observed the following irregularities associated with internally generated revenue (Airtime / Other receipts):
- The internally generated revenue was not comprehensively projected and reported in the approved internal budget of the entity.
 - Internally generated revenue was collected through cash and not deposited in the entity’s accounts in a timely manner.
 - No evidence of reconciliation between cash collected and cash subsequently deposited in the entity’s accounts.
 - Approved proceeds were not consistent with other receipts (intake) reported on receipts and invoices.
 - No evidence of periodic internally generated revenue reports.
 - **See Table 1 below for details.**

Table 1: Irregularities Associated with Internally Generated Revenue

Description	2019/2020 (A) US\$	2020/2021 (B) US\$	SBY 2021 (C) US\$	2022 (D) US\$	2023 (E) US\$	Total D=A+B+C+D+E US\$
Other Receipts (Intake)	536,492.07	948,523.52	440,423.28	766,027.98	599,689.79	3,291,156.64

Risk

- 1.3.1.3 Internally generated revenue may be projected, collected and reported on a discretionary basis.
- 1.3.1.4 The completeness and accuracy of revenue may not be assured; therefore, the financial statements may be misstated.
- 1.3.1.5 Management may not fully account for activities/assets of the entity.
- 1.3.1.6 All collections of Internally generated revenue may not be deposited in the entity’s bank account.

1.3.1.7 Internally generated revenue may be susceptible to theft.

Recommendation

1.3.1.8 Management should develop, approve and operationalize a policy to regulate the projection, collection and reporting of internally generated revenue.

1.3.1.9 Management should ensure that all sources of internally generated revenue are comprehensively cataloged, projected and reported in the entity's approved internal budget.

1.3.1.10 All internally generated revenue should be paid directly by customers in the entity's designated bank accounts.

1.3.1.11 Management should perform periodic reconciliation amongst the invoices, receipts, deposit slips and bank statements used in the collection of internally generated revenue. Variances identified should be investigated and adjusted where applicable in a timely manner.

1.3.1.12 Management should facilitate the preparation of periodic internally generated revenue collection reports.

1.3.1.13 Evidence of approved policy, periodic reconciliation, periodic reports and other supporting records including invoices, receipts, deposit slips and bank statements should be adequately documented and filed to facilitate future review.

1.3.1.14 Going forward, Management should procure and operationalize an automated billing system to facilitate comprehensive collection of internally generated revenue. The billing system should be programmed to generate invoices, interfaced with the banking system, and subsequent generation of receipts. Inputs entered into the system by a junior staff should be reviewed and approved by senior personnel before the system generates invoices and receipts. The billing system should also be interfaced with the accounting software (financial reporting systems).

Management's Response

1.3.1.15 *We have reviewed the exception made by the auditor. However, we would like to make this simple clarification. The amounts on the Trial Balance and the General Ledgers constitute both GOL Subsidies received during the periods audited and LBS Internally Generated Revenues generated during the audited periods. The amount on the Financial Statement constitutes GOL Subsidies for those periods whereas the Internally Generated Revenues are also stated in the LBS financial Reports.*

Auditor General's Position

1.3.1.16 Management's assertions did not adequately address the issues raised. Management did not account for the variances among the financial statements, the general ledgers and the trial balance for FY 2019/2020 to FY 2023 as requested. Therefore, we maintain our findings

and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

- 1.3.1.17 Further, Management is in breach of financial discipline in line with Regulation A.20 of the PFM Act of 2009 as amended and restated 2019.

1.3.2 Irregularities Associated with Media Relation Service Agreement

Criteria

- 1.3.2.1 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".

- 1.3.2.2 Section IV, Page 8 of the LBS Financial Management Procedures Manual of 2016 states that "The LBS shall deposit all cash received from clients or customers, with in the period of forty-eight hours (48hrs) upon receipt from the staff who issue the receipt. The person who receives the cash and issues receipts for said cash should not be the person who makes bank deposits. A reporting turns over slip should be prepared and signed by both parties. There shall be no expenditure of cash that has not been deposited. All payments with the exception of petty cash shall be made by the issuance of checks. Liabilities including accounts payable are generally paid (cash disbursement) when due, and not before."

Observation

- 1.3.2.3 During the audit, we observed no evidence of supporting documents such as; invoices, credit memos, receipts, etc. for revenue / receipts totaling US\$4,674.00 from media service agreement between UBAL and LBS to carry out TV jingles broadcast and host radio talk show for a period of three (3) months commencing September 21, 2022 to December 21, 2022.

Risk

- 1.3.2.4 The completeness, occurrence and accuracy of revenue may not be assured. Therefore, revenue and subsequently the financial statements may be misstated. Management may not account for all revenue from services performed.
- 1.3.2.5 In the absence of adequate supporting documents, the validity, occurrence, and accuracy of payments may not be assured. This may lead to misappropriation of the entity's funds.
- 1.3.2.6 The absence of adequate supporting documentation for transactions may also lead to fraudulent financial management practices, through the processing and disbursement of illegitimate transactions.

Recommendation

- 1.3.2.7 Management should fully account for revenue / receipts from media service agreement amounting to US\$4,674.00, as part of Management's response to this Management Letter.

- 1.3.2.8 Going forward, Management should ensure that all revenue transactions are supported by the requisite supporting documents consistent with the financial management regulations such as: contracts, invoices, credit memos, receipts, bank statements, etc. where applicable. All relevant supporting records should be Adequately documented and filed to facilitate future review.
- 1.3.2.9 Management should also facilitate the operationalization of the electronic document management system by ensuring all relevant source and supporting documents for transactions are scanned, attached to the transactions in the accounting software, archived and maintained to facilitate future review.

Management's Response

- 1.3.2.10 *Noted, Management do take note of the Auditor's General recommendation and has already initialize its implementation.*

Auditor General's Position

- 1.3.2.11 Management's assertions did not adequately address the issues raised. Management did not account for revenue / receipts from media service agreement amounting to US\$4,674.00, as part of Management's response to this Management Letter as requested. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.4 Financial Reporting

1.4.1 Variances Among the General Ledgers, Trial Balance and Financial Statements

Criteria

- 1.4.1.1 Regulations A.3 (1) of the PFM Act of 2009 as amended and restated 2019 states that "Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor-General, the Comptroller General, the relevant internal auditor or any officers authorized by the Minister."
- 1.4.1.2 Furthermore, Regulations E.1 (a) and (c) of the PFM Act of 2009 as amended and restated 2019 state that: "(a) total aggregate allotments for a particular appropriation line in a given fiscal year may not exceed the amount appropriated for that line in the annual appropriations act, amended from time to time through budgetary reallocations made pursuant to Section 25 of the Public Finance Management Act 2009 and Supplementary Appropriations Acts; (c) Total payments for a detailed budget line in a given fiscal year may not exceed the allotments issued against that budget line."

Observation

- 1.4.1.3 During the audit, we observed variances among the general ledgers, trial balance and the financial statements for revenue and expenditures for the periods FY 2019/2020 to FY 2023. **See Table 2a and 2b for details.**

Table 2a: Variances among the General Ledgers, Trial Balance and Financial Statements on Receipts or Revenues

Fiscal Period	General Ledgers (A) US\$	Trial Balance (B)	Financial Statements (C) US\$
FY 2019/2020	345,225.67	1,906,288.93	1,585,729.10
FY 2020/2021	194,933.33	2,557,715.74	1,835,747.26
SBY 2021	1,835,790.82	938,820.18	565,095.21
FY 2022	576,072.01	875,543.85	1,979,064.99
FY 2023	505,618.51	1,662,676.44	1,638,924.85

Table 2b: Variances among the General Ledgers, Trial Balance and Financial Statements on Payments or Expenditures

Fiscal Period	General Ledgers (A) US\$	Trial Balance (B)	Financial Statements (C) US
FY 2019/2020	4,933,766.37	4,933,766.37	1,553,211.58
FY 2020/2021	7,225,967.09	7,225,967.09	1,754,140.32
SBY 2021	6,884,376.82	6,884,376.82	600,785.75
FY 2022	7,600,670.02	7,600,670.02	1,955,821.66
FY 2023	1,885,726.98	1,885,726.98	1,039,235.06

Risk

- 1.4.1.4 The completeness and accuracy of revenue and expenditures may not be assured. Therefore, the financial statements may be misstated. A misstated financial statement may facilitate fraudulent financial reporting and mislead the users of the financial statements.
- 1.4.1.5 Management may not account for all of its transactions.

Recommendation

- 1.4.1.6 Management should fully account for the variances among the general ledgers, trial balance and the financial statements and adjust the financial statements accordingly. The adjusted financial statements should be submitted to the Office of the Auditor General, as part of Management's response to this Management Letter.
- 1.4.1.7 Going forward, Management should conduct periodic reconciliation among the general ledgers, trial balance and the financial statements. Variances identified should be investigated and adjusted where applicable in a timely manner.
- 1.4.1.8 Evidence of periodic reconciliation should be adequately documented and file to facilitate future review.

- 1.4.1.9 An automated control should be established such that transactions (along with supporting documents) posted by a junior staff must be reviewed and approved by senior personnel before the transactions appear in the general ledger. Subsequently, an automated linkage should be created among the general ledger, trial balance, and the financial statements to facilitate completeness and accuracy of the financial statements.

Management's Response

- 1.4.1.10 *We have reviewed the exception made by the auditor. However, we would like to make this simple clarification. The amounts on the Trial Balance and the General Ledgers constitute both GOL Subsidies received during the periods audited and LBS Internally Generated Revenues generated during the audited periods. The amount on the Financial Statement constitutes GOL Subsidies for those periods whereas the Internally Generated Revenues are also stated in the LBS financial Reports.*

Auditor General's Position

- 1.4.1.11 Management's assertions did not adequately address the issues raised. Management did not account for the variances among the general ledgers, trial balance and the financial statements and adjust the financial statements accordingly. Management also did not adjust the financial statements and submit same to the Office of the Auditor General, as part of Management's response to this Management Letter as requested. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.
- 1.4.1.12 Further, Management is in breach of financial discipline in line with Regulation A.20 of the PFM Act of 2009 as amended and restated 2019.

1.5 Expenditure Management

1.5.1 Payments without Evidence of Adequate Supporting Documents

Criteria

- 1.5.1.1 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

- 1.5.1.2 During the audit, we observed no evidence of supporting documents such as; payment vouchers, invoices, receipts, delivery notes, contracts, service completion certificate, etc. for expenditures totaling US\$407,049.24 **See Table 3 below for details.**

Table 3: Payment without Evidence of Adequate Supporting Documents

Cod e	Item	Counti es	FY- 2019 - US\$	FY- 2020 - US\$	FY- 2021 - US\$	FY- 2022 - US\$	FY- 2023 - US\$	Grands Total
6301 B1	Fuel Generator	Lofa County	10,008.00	12,524.00	21,980.00	18,829.55	21,105.50	84,447.05

*AUDITOR GENERAL'S REPORT On the
Compliance Audit of the Liberia Broadcasting System (LBS)
For the Year July 1, 2019 through December 31, 2023*

Cod e	Item	Counti es	FY- 2019 - US\$	FY- 2020 - US\$	FY- 2021 - US\$	FY- 2022 - US\$	FY- 2023 - US\$	Grands Total
6301 B2	Fuel Generator	Grand Bassa County	8,980.00	10,580.00	19,948.00	3,364.55	26,527.49	69,400.04
6301 B3	Fuel Generator	Mary Land County	8,668.00	10,950.00	13,740.00	13,804.55	1,340.00	48,502.55
6301 B4	Fuel Generator	Bong County	5,493.00	8,800.00	19,930.00	3,349.55	26,527.49	64,100.04
6301 B5	Fuel Generator	Grand Gedeh County	10,448.00	12,650.00	13,010.00	4,504.55	1,176.47	41,789.02
6301 B6	Fuel Generator	Bomi County	8,720.00	10,270.00	19,190.00	3,364.55	26,527.49	68,072.04
6301 B7	Fuel Generator	Sinoe	-	-	4,667.80	-	-	4,667.80
6301 B	Fuel Generator	Others	1,853.00	-	-	21,467.70	2,750.00	26,070.70
Total			54,170.00	65,774.00	112,465.80	68,685.00	105,954.44	407,049.24

Risk

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

Recommendation

- 1.5.1.7 Management should fully account for expenditure made without adequate supporting documents.
- 1.5.1.8 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.
- 1.5.1.9 Management should also facilitate the operationalization of the electronic document management system by ensuring all relevant source and supporting documents for



transactions are scanned, attached to the transactions in the accounting software, archived and maintained to facilitate future review.

Management's Response

1.5.1.10 *Noted, Management do take note of the Auditor General's recommendation and have begun implementing it in this fiscal year.*

Auditor General's Position

1.5.1.11 Management's assertions did not adequately address the issues raised. Management did not account for expenditure made without adequate supporting documents as requested. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.5.1.12 Further, Management is in breach of financial discipline in line with Regulation A.20 of the PFM Act of 2009 as amended and restated 2019.

1.5.2 Third Party Payments Made to Employees

Criteria

1.5.2.1 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

1.5.2.2 During the audit, we observed that Management made several third-party payments amounting to US\$3,717.40 to employees of the Entity rather than making direct payment to service providers or their legally authorized representatives. **See Table 4 below for details:**

Table 4: Third Party Payments Made to Employees

Payee	Description	Date	Check Num	PV Num	Amt USD
Emmanuel W. Kai	Payment for the president birthday celebration	28-Sep-22	1652789	5971	2,000.00
Emmanuel W. Kai	Payment for 3 sets of Motorola for multi-TV & Satcon Platform	1-Nov-22	1652963	6043	1,717.40
Total					3,717.40

Risk

1.5.2.3 Paying cash to employee for subsequent disbursement to vendors may facilitate misappropriation of funds.

1.5.2.4 This practice may also lead to Management override of the procurement processes by completing disbursement without facilitating due procurement processes.



Recommendation

- 1.5.2.5 Management should initiate and complete all procurement processes as required by the PPCC and the Public Financial Management Act.
- 1.5.2.6 All payments for goods and services procured by the Entity should be made directly to the vendor or their legally authorized representative.
- 1.5.2.7 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

- 1.5.2.8 *Noted, Management takes note of the Auditor General's recommendations.*

Auditor General's Position

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

1.5.3 Irregularities Associated with Travel Expenditures

Criteria

- 1.5.3.1 Section 29 of the GoL Revised Travel Ordinance 2016/2017 states that "Upon return from abroad, officials are required to submit to the Financial Regulations Unit of the Ministry of Finance and Development Planning, a Travel Settlement Form as per Annexure II and copy of certificates for workshops, seminars, etc., used ticket stubs, copy of passport within 14 days from the date of return from tour or before date of next journey, whichever is earlier. In very exceptional cases where the second granted with the specific written approval of the official concerned, explaining the reasons thereof".

Observation

- 1.5.3.2 During the audit, we observed the following irregularities associated with travel expenditures:
- Rates for travel expenditures were not consistent with the national travel ordinance.
 - Some travel expenditures were not approved by the relevant authority.
 - Incidental allowances were not duly retired/accounted for.
 - Some travel expenditures were not consistent with nature and operations of the entity.
 - No evidence of travel activities reports for some travel expenditures amounting to US\$22,791.00. **See Appendix 1 for details.**

Risk

- 1.5.3.3 Non-compliance with the national travel ordinance may lead to misappropriation of public funds. Travel expenditures may be disbursed above the approved rates.

- 1.5.3.4 Non-approval of travel expenditure by the relevant authority may facilitate illegitimate travel expenditures.
- 1.5.3.5 Travel expenditures not appropriately retired/accounted for may lead to misappropriation of the Entity's funds.
- 1.5.3.6 In the absence of travel activities reports, travel expenditure may be utilized for unapproved activities.

Recommendation

- 1.5.3.7 Management should ensure that all travels are approved by the relevant authority before commencement of processing of travel expenditures.
- 1.5.3.8 Management should utilize the national travel ordinance for computation of all travel related expenditures.
- 1.5.3.9 All incidental allowances should be duly retired/accounted for through the filling and subsequent approval of the travel settlement form. The form should be accompanied by original copies of receipts and travel activities reports to justify the regularity of the transactions.
- 1.5.3.10 Evidence of all travel expenditures records including travel settlement forms, original copies of receipts and travel activities reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.5.3.11 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.5.4 Non-Withholding and Remittance of GST

Criteria

- 1.5.4.1 Section 905 (J) and (M) of the Revenue Code of Liberia Act of 2000 states: (j) "within 10 days after the last day of the month, payer described in (a) is required to remit to the tax authorities the total amount required to be withheld during the month", and (m) stipulates "a person who has a withholding obligation under this section and fails to withhold and remit the amount of tax required to be withheld is subject to Section 52 penalty for late payment and failure to pay."

Observation

- 1.5.4.2 During the audit, we observed no evidence of goods & services tax (GST) (2% or 4% for

goods, 10% and 15% for service and consultancy of resident and non-resident respectively and 1% for petroleum products) amounting to US\$58,489.30 and L\$91,800.00 being withheld and remitted into GoL Revenue Account for the purchase of goods and services.

See Appendix 2 for details.

Risk

- 1.5.4.3 Failure to withhold and remit GST may deny GoL of the much-needed tax revenue.
- 1.5.4.4 Management may be noncompliant with Section (905) J. of the Revenue Code of Liberia 2000, which may result in to penalties for late payment and failure to pay. **Please see Section 52 of the Revenue Code of Liberia as referenced above.**
- 1.5.4.5 Non-remittance of withholding taxes may lead to an overstatement of the cash book and subsequently the financial statements.

Recommendation

- 1.5.4.6 Management should provide substantive justification for not withholding and remitting GST.
- 1.5.4.7 Going forward, Management should withhold GST on all goods and services procured and facilitate full remittance of GST to the general revenue account in keeping with Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011.
- 1.5.4.8 Evidence of remittance including original copies of flag receipts and other supporting records should be adequately documented and filed to facilitate future review.

Management's Response

- 1.5.4.9 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.6 Receivables Management

1.6.1 Irregularities Associated with Account Receivables Management

Criteria

- 1.6.1.1 Regulation A.3 (1) of the PFM Act of 2009 as amended and restated 2019 states that, "Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor-General, the Comptroller General, the relevant internal auditor or any officers authorized by them, by the Minister."

- 1.6.1.2 Regulation M. 3 (C) of the PFM Act of 2009 as restated in 2019 states that "The funds of a State-Owned-Enterprise shall include monies accruing to the enterprise in the exercise and performance of its functions".
- 1.6.1.3 IFRS 9 recognizes that every loan and receivable carries with it some risk of default such that every such asset has an expected loss attached to it from the moment of its origination or acquisition.
- 1.6.1.4 IFRS 9 allows for trade receivables that do not have a significant financing component to be measured at undiscounted invoice price rather than fair value and also establishes an "expected loss" model that focuses on the risk that a loan or receivable will default rather than whether a loss has been incurred.
- 1.6.1.5 It therefore requires calculating the allowance for credit losses by considering on a discounted basis the cash shortfalls it would incur in various default scenarios for prescribed future periods.
- 1.6.1.6 Additionally, IFRS 15-Revenue from Contracts with Customers states that "revenue is recognized when each performance obligation is satisfied".

Observation

- 1.6.1.7 During the audit, we observed the following irregularities associated with receivable management amounting to US\$115,549.24: **See Table 5 below for details.**
- There was no evidence of account receivables management policy.
 - Account receivables were not recorded in a comprehensive, accurate and timely manner.
 - There was no evidence of account receivables aging analysis,
 - There was no evidence of periodic write-off of significantly overdue receivables.
 - No evidence of supporting documents for receivables catalogued in **table 5 below.**

Table 5: Irregularities Associated with Account Receivables Management

NO.	INSTITUTION/NAME	SERVICE	AMOUNT (USD)	TELEPHONE NUMBER
1.	ADMA/Elias Shoniyin	Air Time	400.00	0776-572-019
2.	Blue Crest University College	Air Time	2,100.00	
3.	Breakthrough Action Liberia	Air Time	1,000.00	0770-255-314
4.	CDC	Air Time	4,100.00	
5.	IBI	Air Time	3,000.00	0770-203-208
6.	JFK Medical Center	Air Time	6,500.00	0777-703-530
7.	Landesa	Air Time	9,000.00	
8.	Larkpazee Community Church	Air Time	1,000.00	0770-039-589
9.	LEPD/USAID	Air Time	100.00	
10.	Liberia Revenue Authority	Air Time	1,600.00	0880-276-729
11.	Lone Star Cell Communication	Air Time	16,743.24	0886-501-806
12.	LSMFP/NAFAA	Air Time	390.00	0770-039-589

NO.	INSTITUTION/NAME	SERVICE	AMOUNT (USD)	TELEPHONE NUMBER
13.	LTA	Air Time	100.00	0886-797-328
14.	LWSC	Air Time	2,100.00	0775-731-957
15.	Medica Liberia	Air Time	84.00	
16.	Mercy Corp	Air Time	300.00	0778-012-569
17.	MFDP	Air Time	12,000.00	0776-341-742
18.	Ministry of Education	Air Time	19,250.00	077-721-197
19.	Ministry of Public Works	Air Time	900.00	0776-729-685
20.	NAFAA	Air Time	14,890.00	0770-039-589
21.	NASSCORP	Air Time	1,020.00	0886-659-657
22.	National Elections Commission	Air Time	1,050.00	0776-011-250
23.	National Identification Registry	Air Time	150.00	0777-777-309
24.	New Water in the Desert	Air Time	900.00	
25.	Orange Liberia	Air Time	8,000.00	
26.	St. Thomas Episcopal Church	Air Time	500.00	0777-160-409
27.	Trircel Liberia	Air Time	3,000.00	
28.	TESTS	Air Time	100.00	
29.	UN Women	Air Time	1,272.00	
30.	Ministry of Youth & Sports	Air Time	4,000.00	
TOTAL			115,549.24	

Risk

- 1.6.1.8 Receivables may be accrued, collected and written-off on a discretionary basis. This may lead to the under collection or misstatement of receivables.
- 1.6.1.9 The completeness and accuracy of receivables may not be assured; therefore, the financial statements may be misstated.
- 1.6.1.10 In the absence of a receivables ageing schedule, receivables may not be reliably monitored, evaluated and collected in a timely manner.
- 1.6.1.11 Fair presentation and full disclosures may be impaired when receivables are recorded in the wrong accounting period. Receivable balance and subsequently the financial statements may be misstated.

Recommendation

- 1.6.1.12 Management should account for accounts receivables amounting to US\$115,549.24 comprehensively catalogued in table 5 above as part of Management's response to this Management Letter.
- 1.6.1.13 Management should develop, approve and operationalize receivables management policy to regulate the recognition, collection, adjustment and management of accounts receivables. The policy should include a specified period for follow-up on debt collection and clearly defined actions to be undertaken at each specified period. The policy should also include provision for adjustment and write-off of accounts receivables consistent with required regulations.

- 1.6.1.14 Account receivables should be recorded in a comprehensive, accurate and timely manner consistent with the financial reporting framework. For entity using IPSAS Cash Basis, receivable should be disclosed in the notes to the financial statements and for entity using accrual/IFRS financial reporting framework, receivable should be disclosed on the face of the Statement of Financial Position (Balance Sheet).
- 1.6.1.15 Management should establish receivable aging analysis to monitor the age of receivables and implement the specified actions to be taken based on the age of the debt consistent with the receivables management policy. The schedule should contain the following: names of the receivables, address of the receivables, contacts of receivables, date of recognition, initial invoice, payments, additional invoices, current receivables balance, and age grouping.
- 1.6.1.16 Going forward, Management should ensure that current expected credit loss analyses and the Accounts Receivable Aging Analysis are included in the notes to the financial statements. These analyses will enable Stakeholders/Users of the financial statements to ascertain the 'trend' relating to collectability, and correct net realizable value of the trade receivables in the statement of financial position.
- 1.6.1.17 Management should periodically analyze account receivables to identify slow moving and or impaired receivables and adjust/write-off consistent with policy. All receivable write-off should be reviewed and approved by the relevant authority before execution.
- 1.6.1.18 Management should perform periodic reconciliation of receivable balances by reconciling accounts receivable ledgers to customers' statements, receivable confirmation, and the receivable aging analysis. Variances identified should be investigated and adjusted where applicable in a timely manner.

Management's Response

- 1.6.1.19 *Those are FY2023 Receivables that were carried forward to FY 2024. These year-end receivables were collected in FY 2024 by robustly engaging our indebted customers. Reconciliations were made to arrive at these receivables. Management will also ensure that Accounts Receivables Policy is created to administer Accounts Receivables.*

Auditor General's Position

- 1.6.1.20 Management's assertions did not adequately address the issues raised. Management did not account for accounts receivables amounting to US\$115,549.24 comprehensively catalogued in table 5 above as part of Management's response to this Management Letter as requested. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.7 Payable Management

1.7.1 Irregularities Associated with Payables Management

Criteria

- 1.7.1.1 Regulation A.3 (1) of the PFM Act of 2009 as amended and restated 2019 states that, "Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor-General, the Comptroller General, the relevant internal auditor or any officers authorized by them, by the Minister."
- 1.7.1.2 Regulation M. 3 (C) of the PFM Act of 2009 as restated in 2019 states that "The funds of a State-Owned-Enterprise shall include monies accruing to the enterprise in the exercise and performance of its functions".
- 1.7.1.3 PFM Regulations O.1(Paragraph 3) of the PFM Act of 2009 requires that head of government agency shall ensure that all persons liable to pay revenue are informed of bills, demand notes and other appropriate notices, of debts which are due and that adequate measures are taken to obtain payment.
- 1.7.1.4 Furthermore, Regulations O.21 (Paragraph 1-3) of the PFM Act of 2009 requires that Government Agency revenue collectors shall keep records of moneys collected in such form as the Comptroller-General may determine and for such periods consistent with the provisions of Regulation 12. The records shall show the persons from whom revenue is due, description of liability, the amount payable, the date, location, receipt number and amount of the collections made. The records shall, wherever possible, be self-balancing and shall be reconciled with the cash collections monthly.

Observation

- 1.7.1.5 During the audit, we observed the following irregularities associated with payables management amounting to US\$106,512.00 and L\$2,300.00: See Table 6 below for details.
- There was no evidence of account payable management policy,
 - Account payables were not recorded in a comprehensive, accurate and timely manner,
 - There was no evidence of account payable aging analysis,
 - There was no evidence of periodic review of significantly overdue payables.
 - No evidence of supporting documents for payables catalogued **in table 6 below**.

Table 6: Irregularities Associated with Account Payables Management

NO.	Supplier/Contractor	Goods supplied /Services	Amount (US\$)	Amount (L\$)	Telephone Number
1.	New Era Publication	Publication	1,400.00		0777-447-770
2.	Analyst Newspaper	Publication	1,200.00		

NO.	Supplier/Contractor	Goods supplied /Services	Amount (US\$)	Amount (L\$)	Telephone Number
3.	Libra Sanitation	Garbage Collection		2,300.00	0777-677-231
4.	AMS	Vehicle Service	840.00		0776-000-005
5.	Aminata & Son, Inc.	LBS Outstations Fuel	30,225.00		0777-417-875
6.	Conex Energy Liberia	LBS Headquarters Fuel	15,570.00		0775-872-751
7.	United Motor	Staff Bus Servicing	827.00		0777-774-777
8.	George Kollie	Electrical Workmanship theater balance	400.00		0770-524-623
9.	Mattar Trading	Furniture (Balance payment for language studio)	500.00		0886-551-418
10.	Jackson Kamara	Furniture Making	400.00		0776-328-093
11.	John Building Materials	Assorted goods	1,300.00		
12.	Sky Tech International	Repair of DG printer	165.00		0777-781-521
13.	SUNU Assurance	Insurance Services	7,000.00		0770-249-539
14.	Spectrum Print, Inc.	300 pcs of souvenir program materials	1,267.00		0777-511-685
15.	Trokon T. Kpui	LED Screen rental	1,000.00		
16.	Spectrum Print, Inc	LBS policy and vehicles printing	1,165.00		0777-511-685
17.	Spectrum Print, Inc	9 pcs of project identity tags	737.00		0777-511-685
18.	Mattar Trading	Stationaries & Furniture	42,516.00		0886-551-418
	TOTAL		106,512.00	2,300.00	

Risk

- 1.7.1.6 Payables may be incurred, paid and written-off on a discretionary basis. This may lead to the over payment or misstatement of payables.
- 1.7.1.7 The completeness and accuracy of payables may not be assured; therefore, the financial statements may be misstated.
- 1.7.1.8 In the absence of a payables ageing schedule, payables may not be reliably monitored, evaluated and disbursed in a timely manner.
- 1.7.1.9 Fair presentation and full disclosures may be impaired when payables are recorded in the wrong accounting period. payables balance and subsequently the financial statements may be misstated.

Recommendation

- 1.7.1.10 Management should account for accounts payables amounting to US\$106,512.00 and L\$2,300.00 comprehensively catalogued in table 6 above as part of Management's response to this Management Letter.

- 1.7.1.11 Management should develop, approve and operationalize payables management policy to regulate the recognition, disbursement, adjustment and management of accounts payables. The policy should include a specified period for follow-up on credit payments and clearly defined actions to be undertaken for prioritizing payments. The policy should also include provision for adjustment and write-off of accounts payables consistent with required regulations.
- 1.7.1.12 Account payables should be recorded in a comprehensive, accurate and timely manner consistent with the financial reporting framework. For entity using IPSAS Cash Basis, payables should be disclosed in the notes to the financial statements and for entity using accrual/IFRS financial reporting framework, payables should be disclosed on the face of the Statement of Financial Position (Balance Sheet).
- 1.7.1.13 Management should establish payables aging analysis to monitor the age of payables and implement the specified actions to be taken based on the age of the credits consistent with the payables management policy. The schedule should contain the following: names of the payees, address of the payees, contacts of payees, date of recognition, initial invoice, payments, additional invoices, current payables balance, and age grouping.
- 1.7.1.14 Management should periodically analyze account payables to identify overdue payables and adjust/write-off consistent with policy. All payables write-off should be reviewed and approved by the relevant authority before execution.
- 1.7.1.15 Management should perform periodic reconciliation of payables balances by reconciling accounts payables ledgers to vendors' statements, payables confirmation, and the payables aging analysis. Variances identified should be investigated and adjusted where applicable in a timely manner.

Management's Response

- 1.7.1.16 *Noted, Management do take note of the Auditor General's recommendation.*

Auditor General's Position

- 1.7.1.17 Management's assertions did not adequately address the issues raised. Management did not account for accounts payables amounting to US\$106,512.00 and L\$2,300.00 comprehensively catalogued in table 6 above as part of Management's response to this Management Letter as requested. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.8 Procurement Management

1.8.1 Irregularities Associated with Procurement Management

Criteria

1.8.1.1 Section 30 (1 and 2) of the Public Procurement and Concessions Act of 2005 as amended and restated in 2010 states: "(1) Each Procurement Committee shall constitute a Bid Evaluation Panel with the required expertise as and when required to evaluate bids solicited by the Procuring Entity. (2) A Bid Evaluation Panel shall be responsible for the evaluation of bids in accordance with the predetermined and Published evaluation criteria as outlined to bidders in the bid documents in accordance with this Act and shall prepare and submit evaluation reports and recommendations for award for the consideration of the Procurement Committee or the Head of the Procuring Entity as provided in the Schedule".

1.8.1.2 Section 32 (1, 2 and 3) of the Public Procurement and Concessions Act of 2005 as amended and restated in 2010 states: (1) "In order to participate in procurement proceedings, a bidder must qualify by meeting the criteria set by the Procuring Entity, which will normally include evidence of: (a) Professional and technical qualifications; (b) Equipment availability, where applicable; (c) Past performance; (d) After-sales service, where applicable; (e) Spare parts availability; (f) Legal capacity; (g) Financial resources and condition; and (h) Verification by the internal revenue authority of payment of taxes and social security contributions when due. (2) The qualification criteria set forth in subsection (1) of this Section shall be applied by examining, through investigation and collaboration with other relevant agencies, to ascertain whether or not the bidder meets the minimum qualification criteria established for the bid and not by using a point system for comparing the relative level of qualifications of participating bidders. (3) The Procuring Entity shall be entitled to demand qualification documentation from potential bidders in formal prequalification proceedings, or as a required component of a bid submission".

Observation

1.8.1.3 During the audit, we observed the following irregularities associated with the procurement system:

- There was no functional procurement committee evidenced by the absence of meeting minutes and periodic reports.
- There was no evidence of annual procurement plan approved by PPCC.
- There was no evidence of periodic (quarterly and annual) procurement activities report submitted to PPCC.
- No evidence of application of the requisite methods (Request for quotation, national competitive bidding, sole sourcing, restricted bidding, international competitive bidding, etc.) where applicable. **See Appendix 3 for details.**

Risk

1.8.1.4 In the absence of a functional procurement committee, the entity's procurement processes may be discretionary.

- 1.8.1.5 The lack of an approved Procurement Plan may lead to discretionary expenditure, waste and impair value for money.
- 1.8.1.6 In the absence of quarterly and annual procurement activities reports, Management may be noncompliant with the PPC Act of 2005 as amended and restated in 2010.
- 1.8.1.7 Management may not adequately account for its procurement activities and impair effective monitoring of its procurement activities by the PPCC.
- 1.8.1.8 The non-application of the requisite procurement method may impair the achievement of value for money and facilitate fraudulent procurement activities.

Recommendation

- 1.8.1.9 Management should establish a functional procurement committee evidenced by the documentation of meeting minutes and periodic reports.
- 1.8.1.10 Management should facilitate the approval of annual procurement plan by PPCC. All unplanned procurement activities should be subsequently submitted to PPCC for approval before execution.
- 1.8.1.11 Management should facilitate the preparation and submission of quarterly and annual procurement activities reports to the PPCC as required by the PPC Act of 2005 as amended and restated in 2010.
- 1.8.1.12 Management should ensure that the requisite procurement methods are utilized for all procurement transactions to achieve value for money and ensure compliance to the PPC Act of 2005 as amended and restated in 2010.
- 1.8.1.13 Evidence of approved annual procurement plan, quarterly and annual procurement activities report, and all relevant supporting procurement records should be adequately documented and filed to facilitate future review.

Management's Response

- 1.8.1.14 *All procurement documents relating to Procurement plans, procurement reports, and procurement committee minutes were all prepared during the audit periods. Please see the attached documents for verification. Referenced see Annexure eight.*

Auditor General's Position

- 1.8.1.15 Management's assertions were not supported by documentary evidence. We obtained no evidence of relevant procurement documentation and periodic procurement activities reports as requested. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.8.2 Irregularities Associated with Fuel Management

Criteria

1.8.2.1 Regulations A.3 (1) of the PFM Act of 2009 as amended and restated 2019 states that "Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor-General, the Comptroller General, the relevant internal Auditor or any officers authorized by them, by the Minister."

Observation

1.8.2.2 During the audit, we observed the following irregularities associated with fuel management:

- No evidence of fuel management policy.
- Fuel expenditures were not consistent with the approved annual procurement plan and budget.
- No evidence of adequate fuel distribution and consumption logs. **See Table 9 below for details.**

Table 9: Irregularities Associated with Fuel Management

Code	Item	Counties	FY- 2019 – US\$	FY- 2020 – US\$	FY- 2021 – US\$	FY- 2022 – US\$	FY- 2023 US\$
6301B1	Fuel Generator	Lofa County	10,008.00	12,524.00	21,980.00	18,829.55	21,105
6301B2	Fuel Generator	Grand Bassa County	8,980.00	10,580.00	19,948.00	3,364.55	26,527
6301B3	Fuel Generator	Mary Land County	8,668.00	10,950.00	13,740.00	13,804.55	1,340
6301B4	Fuel Generator	Bong County	5,493.00	8,800.00	19,930.00	3,349.55	26,527
6301B5	Fuel Generator	Grand Gedeh County	10,448.00	12,650.00	13,010.00	4,504.55	1,176
6301B6	Fuel Generator	Bomi County	8,720.00	10,270.00	19,190.00	3,364.55	26,527
6301B7	Fuel Generator	Sinoe	-	-	4,667.80	-	
6301B	Fuel Generator	Others	1,853.00	-	-	21,467.70	2,750
Total			54,170.00	65,774.00	112,465.80	68,685.00	105,954.

Risk

1.8.2.3 Fuel may be procured and distributed on a discretionary basis, in the absence of a policy.

1.8.2.4 Fuel procured may not be based on actual consumption.

1.8.2.5 Management may spend above budgeted allocation and fuel may be subjected to misappropriation or theft.

Recommendation

1.8.2.6 Management should develop, approve and operationalize a policy on fuel procurement, distribution, consumption and ensure that proper records are maintained.

1.8.2.7 Management should ensure that fuel expenditures are consistent with the approved annual procurement plan and budget. All unplanned fuel expenditures should be approved by the relevant authority before disbursement.

1.8.2.8 Management should maintain a fuel consumption and distribution log to aid the entity manage cost and inform future purchase. All unutilized fuel allocation should be duly accounted for, carry forward to subsequent period and factor in the subsequent procurement of fuel.

1.8.2.9 Evidence of approved fuel policy and all other fuel procurement, consumption and distribution records should be adequately filed to facilitate future review.

Management's Response

1.8.2.10 *Noted, Management will ensure that LBS substations maintain generator fuel consumption log for fuel usage.*

Auditor General's Position

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

1.9 Personnel Management

1.9.1 Inadequate Records in Personnel Files

Criteria

1.9.1.1 Chapter 5.8 of the CSA Standing Order of 2012 states that "the below listed documents make up the employee's file and must remain in the file as part of the employee's records:

- a. Employment Letter
- b. Resume;
- c. Credentials;
- d. Personal data;
- e. Job description;
- f. Personnel Action Notice (PAN)
- g. All subsequent warnings or commendation;
- h. Annual appraisal forms and related evaluation forms; and
- i. Medical Certificate

Observation

- 1.9.1.2 During the audit, we observed from a review of sample of employees' files that Management did not maintain personnel records such as; Personnel Action Notice (PAN), Medical Records, Police Clearance, etc. for some employees. See Appendix 4 for details.

Risk

- 1.9.1.3 Failure to maintain essential personnel records may lead to Management inability to manage or regulate the activities of its personnel effectively.
- 1.9.1.4 Management may recruit staffs that do not meet the required qualification and experience to contribute to the overall objectives of the entity. This may impair the achievement of the entity's objectives.

Recommendation

- 1.9.1.5 Management should ensure that all employees' files are updated to contain essential documents such as; police clearances, medical certificates, Personnel Action Notice (PAN), etc. to enable Administration regulate the activities of its personnel effectively.
- 1.9.1.6 Management should institute periodic review / inspection of personnel files to validate the completeness of personnel records.
- 1.9.1.7 Management should institute an electronic document management system by scanning all documents in employees' files and create electronic files for each employee. This control will facilitate more effective document retention and archiving system, along with manual records.

Management's Response

- 1.9.1.8 *Noted, Management takes note of the Auditor General's recommendation and will ensure that employees' files have the required documentation like police clearance, PAN, etc.*

Auditor General's Position

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

1.9.2 Unapproved Salary Scales/Structure

Criteria

- 1.9.2.1 Regulation T.3 (1) (d, e and f) of the PFM Act of 2009 as Amended and Restated 2019 states "The head of every Management Unit shall keep records of all Personnel Emolument of staff employed in his management unit, to ensure that: (d) authorized establishments or manpower ceilings are not exceeded; (e) the amount of salary and other allowances authorized for payment to each staff is not exceeded; and (f) payments are not made on the payment voucher to staff who do not belong to the Agency or unit."

Observation

- 1.9.2.2 During the audit, we observed no evidence of an approved salary structure instituted at the entity.

Risk

- 1.9.2.3 Salaries may be disbursed and adjustments to payroll may be performed on a discretionary basis. This may lead to misapplication and misappropriation of the Entity's funds.

Recommendation

- 1.9.2.4 Management should develop, approve and operationalize a salary structure to regulate salary disbursement at the entity. The approved salary structure should comprehensively catalog the various positions at the entity and respective pay grades for each position. Alternatively, Management should officially adopt and operationalize the GoL Harmonization Pay Grade for disbursement of salaries at the entity.
- 1.9.2.5 Management should ensure that all adjustments to the payroll are approved by the relevant authority, supported by the required documentation and consistent with approved salary structure and the Human Resource policy of the entity.
- 1.9.2.6 Evidence of approved salary structure, evidence of adoption of GoL Harmonization Pay Grade, and all relevant supporting records for adjustments to the payroll should be adequately documented and filed to facilitate future review.

Management's Response

- 1.9.2.7 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.9.3 No Automated Payroll Management System

Criteria

- 1.9.3.1 Section 36(1) of the Public Financial Management (PFM) Act of 2009 as Amended and Restated 2019 states that "it is a general responsibility under this Act for all government officials handling public financial transactions to ensure that financial information is reported in a timely, comprehensive, and accurate manner, in the manner prescribed in this Act, under its regulations, and in instruction issued by the Minister".

Observation

- 1.9.3.2 During the audit, we observed no evidence of an automated centralized payroll management system to facilitate the effective payroll management of the entity. The payroll was managed in MS excel.

Risk

- 1.9.3.3 Data integrity, security and completeness and accuracy of payroll records may be impaired.
- 1.9.3.4 In the absence of a centralized payroll management system, the computation of taxes, other deductions and net salaries may be impaired.
- 1.9.3.5 Management may not account for all its payroll transactions.

Recommendation

- 1.9.3.6 Management should procure and operationalize a functional payroll system to facilitate complete, accurate and real-time recording of all payroll transactions of the entity.
- 1.9.3.7 An automated control should be established such that transactions (along with supporting documents) posted by a junior staff must be reviewed and approved by senior personnel before the transactions appear in the payroll ledger. Going forward, an automated linkage should be created between the payroll ledger, trial balance and the financial statements to facilitate completeness and accuracy of the financial statements.
- 1.9.3.8 Management should also facilitate the operationalization of the electronic document management system by ensuring all relevant source and supporting documents for payroll transactions are scanned, attached to the transactions in the payroll and accounting software, archived and maintained to facilitate future review.

Management's Response

- 1.9.3.9 *Noted, Management takes note of the Auditor General's recommendation. However, LBS payroll is being managed by the Central Government.*

Auditor General's Position

- 1.9.3.10 Management's assertions did not adequately address the issues raised. Payroll management and adjustments to the monthly payrolls are executed by LBS Management. The Central Government only facilitate disbursement of monthly payroll through the Ministry of Finance and Development Planning. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.9.4 Lack of Segregation of Duties in Payroll Management

Criteria

- 1.9.4.1 According to COSO Framework 2011, paragraph 148, "Senior Management and the Board of Directors establish the organizational structure and reporting lines necessary to plan, execute, control and periodically assess the activities of the entity. This goal is to provide for clear accountability and information flow within and across the overall entity, and its subunits".

Observation

- 1.9.4.2 During the audit, we observed no evidence that monthly payroll originated from the Human Resource Unit and forwarded to the Finance Unit for processing.
- 1.9.4.3 Additionally, we observed no evidence that the payroll journals were subsequently submitted to heads of department/units to review and corroborate salaries to be disbursed to personnel of respective department/units.

Risk

- 1.9.4.4 Lack of segregation of duties of such key functions may impair checks and balances, thereby, leading to misappropriation of the entity's funds.
- 1.9.4.5 Inadequate review of the payroll may lead to ghost or undeserving staff being compensated. This may also lead to salaries being paid for work not performed.
- 1.9.4.6 Approved adjustments to the payroll may not be implemented.
- 1.9.4.7 Unauthorized adjustments may be undetected leading to misappropriation of the entity's funds.

Recommendation

- 1.9.4.8 Management should facilitate segregation of duties and check and balances in the preparation of monthly payroll. All adjustments to the payroll should be cataloged by the Human Resource Department and submitted to the Finance Department for processing. Subsequently, the Finance Department should submit the adjusted payroll to the head of each department/unit and the Human Resource Department for validation before submission to MFD for processing.
- 1.9.4.9 Evidence of approved monthly payroll journals and all other relevant supporting records should be adequately documented and filed to facilitate future review.

Management's Response

- 1.9.4.10 *Noted, Management takes note of the Auditor General's recommendation. However, the LBS payroll is being managed by the Central Government.*

Auditor General's Position

- 1.9.4.11 Management's assertions did not adequately address the issues raised. Payroll management and adjustments to the monthly payrolls are executed by LBS Management. The Central Government only facilitate disbursement of monthly payroll through the Ministry of Finance and Development Planning. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.9.5 Non-Withholding and Remittance of Personal Income Tax for Contractors

Criteria

- 1.9.5.1 Section 200 of the Revenue Code of Liberia 2000 as amended in 2011 requires that an annual income tax is hereby imposed on the annual taxable income of every natural person resident in Liberia (including resident Liberian citizens employed by an embassy, a diplomatic mission, or international organization). The tax is collected during the tax year in accordance with the withholding rules of Section 905 or the advance payment rules of Section 904.
- 1.9.5.2 Further, Section 905 (J) and (M) of the Revenue Code of Liberia Act of 2000 states that; "Within 10 days after the last day of the month, payer described in (a) is required to remit to the tax authorities the total amount required to be withheld during the month", and (m) stipulates "a person who has a withholding obligation under this section and fails to withhold and remit the amount of tax required to be withheld is subject to Section 52 penalty for late payment and failure to pay".

Observation

- 1.9.5.3 During the audit, we observed no evidence of Personal Income Tax (PIT) being withheld and remitted into GoL Revenue Account from contractors' Income Tax for the period under audit. **See Table 10 below for details.**

Table 10: Non-Withholding and Remittance of Personal Income Tax for Contractors

No	Month and Year (per fiscal period)	Total net payroll (per journal/approved payroll) US\$	Income Tax US\$
1	Jul-19	53,864.73	9,859.59
2	Aug-19	53,966.23	9,800.73
3	Sep-19	50,508.37	9,399.84
4	Oct-19	49,079.49	9,058.36
5	Nov-19	49,623.07	8,727.80
6	Dec-19	49,623.07	8,727.80
7	Jan-20	45,559.51	7,267.30
8	Feb-20	49,192.32	8,818.58
9	Mar-20	48,327.26	8,647.59
10	Apr-20	49,099.42	8,867.11
11	May-20	49,093.63	8,872.90
12	Jun-20	49,083.53	8,883.00
Total		597,020.63	106,930.60

Risk

- 1.9.5.4 Failure to withhold and remit PIT may deny GoL of the much-needed tax revenue.
- 1.9.5.5 Management may be noncompliant with Section (905) J. of the Revenue Code of Liberia 2000, which may result in to penalties for late payment and failure to pay. **Please see Section 52 of the Revenue Code of Liberia as referenced above.**

1.9.5.6 Non-remittance of PIT may lead to an overstatement of the cash book and subsequently the financial statements.

Recommendation

1.9.5.7 Management should provide substantive justification for not withholding and remitting PIT.

1.9.5.8 Going forward, Management should withhold PIT on all disbursement of remunerations and facilitate full remittance of PIT to the general revenue account in keeping with Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011.

1.9.5.9 Evidence of remittance including original copies of flag receipts and other supporting records should be adequately documented and filed to facilitate future review.

Management's Response

1.9.5.10 *Noted, Management takes note of the Auditor General's recommendations.*

Auditor General's Position

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

1.9.6 Non-remittance of NASSCORP's Contributions

Criteria

1.9.6.1 Section 89.16(a) of the NASSCORP New Act and published February 13, 2017 states that "The contribution payable under this Act in respect of an employee shall comprise contribution payable by the employer (hereinafter referred to as the employer's contribution) and contribution payable by the employee (hereinafter referred to as the employee's contribution) and shall be paid to the Corporation. Contribution rate shall be total 10% of the total gross remuneration of each employee; 2% under the Employment Injury Scheme payable by the employer; 4% employer contribution and 4% employee contribution to be remitted by the employer."

Observation

1.9.6.2 During the audit, we observed no evidence of payment receipts for remittance of employees' and employer contributions amounting to US\$29,305.17 made to NASSCORP for the periods under review. **See Appendix 6 for details.**

Risk

1.9.6.3 Management may be non-compliant with NASSCORP General Regulations of 2018 which may result to penalties and fines.

1.9.6.4 Potential retirees of GoL may be denied required pension benefits due to non-compliance with the Regulation.

- 1.9.6.5 The completeness and accuracy of social security contributions for employees may be misstated. This may lead to inaccurate computation of employees' social security benefits.

Recommendation

- 1.9.6.6 A payment plan should be crafted and agreed between Management and NASSCORP Management for full settlement of all arrears. Management should budget for and ensure full compliance to the terms of the agreed payment plan. Management should also ensure that future employers' contributions are adequately provided for in the approved budget on an annual basis (where applicable).
- 1.9.6.7 Management should facilitate full payment of employees and employer's contributions to NASSCORP on a consistent and timely basis.
- 1.9.6.8 Management should ensure that a comprehensive reconciliation is performed with NASSCORP records to ensure that individual employees social security contributions are duly allocated and compiled to validate the completeness and accuracy of employees' social security contributions.
- 1.9.6.9 Going forward, monthly remittance of NASSCORP contributions should be accompanied by a listing of employees and their social security numbers for ease of allocation to employees' NASSCORP accounts respectively.
- 1.9.6.10 Evidence of remittances of monthly social security contributions and all relevant supporting records should be adequately documented and filed to facilitate future review.

Management's Response

- 1.9.6.11 *Noted, Management takes note of the Auditor General's recommendation. However, the LBS payroll is managed by the Central Government (MFDP and CSA).*

Auditor General's Position

- 1.9.6.12 Management's assertions did not adequately address the issues raised. Payroll management and adjustments to the monthly payrolls are executed by LBS Management. The Central Government only facilitate disbursement of monthly payroll through the Ministry of Finance and Development Planning. Management should therefore obtain and file evidence of remittances of monthly Social Security contributions to ascertain compliance. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.9.7 Non-adherence to Direct Deposit Payments

Criteria

- 1.9.7.1 Regulation H. 8 (4) of the Public Financial Management Act of 2009 as Amended and Restated 2019, states that "The Minister shall ensure, to the extent possible, that all government payments are done through a direct deposit system, progressively graduating towards an electronic fund transfer system."

Observation

- 1.9.7.2 During the audit, we observed that some contractors received monthly salaries through the issuance of checks or receipt of cash instead of payments through their bank accounts, non-compliant to Regulation H. 8 (4) of the Public Financial Management Act of 2009 as amended and restated in 2019.

Risk

- 1.9.7.3 Management may be non-compliant with Regulation H. 8 (4) of the Public Financial Management Act of 2009 as amended and restated 2019.
- 1.9.7.4 The absence of establishing employees' bank /mobile money accounts may lead to ghost or undeserving staff being compensated. This may also lead to salaries being paid for work not performed.
- 1.9.7.5 Availability of evidence to corroborate disbursement of salaries to employees may be impaired.

Recommendation

- 1.9.7.6 Management should facilitate all disbursement of salaries to employees / contractors through the direct deposit system to bank or mobile money accounts. The accounts should be opened in the name of the employee / contractor to validate the legitimacy of the transactions.
- 1.9.7.7 Evidence of periodic (monthly) bank/mobile money transfers should be adequately documented and filed to facilitate future review.

Management's Response

- 1.9.7.8 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.9.8 No Evidence of Reconciliation between Personnel Listing and Payroll

Criteria

- 1.9.8.1 Regulation T.3 (1) (d, e and f) of the PFM Act of 2009 as amended and restated in 2019 states "The head of every Management Unit shall keep records of all Personnel Emolument of staff employed in his management unit, to ensure that: (d) authorized establishments or manpower ceilings are not exceeded; (e) the amount of salary and other allowances authorized for payment to each staff is not exceeded; and (f) payments are not made on the payment voucher to staff who do not belong to the Agency or unit."

Observation

- 1.9.8.2 During the audit, we observed no evidence of monthly reconciliation between the personnel listing and the monthly payroll.

Risk

- 1.9.8.3 The lack of a comprehensive personnel listing may impair effective monitoring of employees of the entity.
- 1.9.8.4 Non-reconciliation of the personnel listing to the payroll may lead to illegitimate personnel/ghost being compensated for services not performed.

Recommendation

- 1.9.8.5 Going forward, Management should update the personnel listing to include all employees and contractors of the Entity. The personnel listing should include columns for: date of employment, job title/position, assigned department/section, identification number, qualification, sex, date of birth and basic salary of staff as required by the Standing Orders of the Civil Service.
- 1.9.8.6 Management should perform monthly reconciliation between the personnel listing and the approved payroll. Variances identified should be investigated and adjusted where applicable in a timely manner.
- 1.9.8.7 Evidence of monthly personnel listing and monthly reconciliation between the personnel listing and the approved payroll should be adequately documented and filed to facilitate future review.

Management's Response

- 1.9.8.8 *Noted, Management takes note of the Auditor General's recommendation and is currently implementing such.*

Auditor General's Position

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

1.9.9 Non-Documentation of Adjustments (Joiners, Leavers, etc.)

Criteria

- 1.9.9.1 Regulations T.8 of the PFM Act of 2009 as amended and restated 2019 states that "Unless the effective date is otherwise specified under any other enactment, the effective date shall be in the case of a. a deceased public officer, the three months following the date of death;
 - a) convicted officers, the date of conviction;
 - b) leave without pay, the date approved for the leave;
 - c) officers absent without leave, the first day of such absence; or
 - d) resignation and retirement, the effective date for stoppage shall be the earlier of: date of absence; or date specified on a relevant document."



Observation

- 1.9.9.2 During the audit, we observed no evidence that Management comprehensively documented adjustments (joiners, leavers, promotions, demotions, suspensions, etc.) on a periodic basis for the period under review.

Risk

- 1.9.9.3 Approved adjustments to the payroll may not be implemented in a timely manner.
- 1.9.9.4 In the absence of documented payroll adjustments, records may not be available to detect and correct unauthorized adjustments.
- 1.9.9.5 Effective payroll review and reconciliation may be impaired.

Recommendation

- 1.9.9.6 Management should facilitate a comprehensive documentation of all payroll adjustments (joiners, leavers, promotions, demotions, suspensions, etc.) on a monthly basis by the HR Department. All adjustments to the payroll should be cataloged by the Human Resource Department and submitted to the Finance Department for processing. Subsequently, the Finance Department should submit the adjusted payroll to the head of each department/unit and the Human Resource Department for validation before submission to MFDP for processing.
- 1.9.9.7 Evidence of periodic adjustments to the payroll journals and all other relevant supporting records should be adequately documented and filed to facilitate future review.
- 1.9.9.8 Going forward, Management should perform periodic (monthly) review of the payroll to ensure that exited personnel had been removed from the payroll within statutory period. Staff maintained beyond approved timeline should be immediately removed from the payroll.

Management's Response

- 1.9.9.9 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.9.10 Exited Individual Maintained on Payroll

Criteria

- 1.9.10.1 Regulations T.8 of the PFM Act of 2009 as amended and restated 2019 states that "Unless the effective date is otherwise specified under any other enactment, the effective date shall be in the case of;
- a. deceased public officer, the three months following the date of death;

- b. convicted officers, the date of conviction;
- c. leaves without pay; the date approved for the leave;
- d. officers absent without leave, the first day of such absence; or
- e. resignation and retirement, the effective date for stoppage shall be the earlier of: date of absence; or date specified on a relevant document."

Observation

- 1.9.10.2 During the audit, we observed that several employees who have exited the entity were still maintained on the payroll beyond statutory periods. See Appendix 7 for details.

Risk

- 1.9.10.3 Salaries may be disbursed to illegitimate personnel for service not performed.
- 1.9.10.4 Management may be non-compliant with Regulations T.8 of the PFM Act of 2009 as amended and restated 2019.

Recommendation

- 1.9.10.5 Management should ensure that exiting personnel are removed from the payroll within statutory period.
- 1.9.10.6 Going forward, Management should perform periodic (monthly) review of the payroll to ensure that exited personnel had been removed from the payroll within statutory period. Staff maintained beyond approved timeline should be immediately removed from the payroll.

Management's Response

- 1.9.10.7 *Noted, management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.9.11 Employees due for Retirement

Criteria

- 1.9.11.1 Section 5 (3.5.1) of the Civil Service Act of 2012 states that "Unless ordered otherwise by Government, every employee shall be compulsorily retired at the age of 65, or after a minimum of 25 years of service as specified under Section 1 of the Government Employees Pension Act."

Observation

- 1.9.11.2 During the audit, we observed that thirteen (13) staff of LBS have met the requirements for retirement but were still employed with the entity. See Appendix 8 for details.

Risk

- 1.9.11.3 Potential retirees and associated beneficiaries of the entity may be denied required pension benefits.
- 1.9.11.4 In the instance of delay in payment of retirement, the execution of retirement may not be appropriately determined. This may lead to overage/unproductive workforce.

Recommendation

- 1.9.11.5 Management should ensure that the employees who have reached the retirement age are honorably retired in line with the law.
- 1.9.11.6 Management should institute periodic review or inspection of employees' file to identify employees' due for retirement.
- 1.9.11.7 Employees due for retirement should be informed about their retirement due date in a timely manner.

Management's Response

- 1.9.11.8 *All employees that have reached the retirement age have been duly retired. Referenced see Annexure Eleven.*

Auditor General's Position

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

1.10 Fixed Assets Management

1.10.1 Irregularities Associated with Fixed Asset Management

Criteria

- 1.10.1.1 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

- 1.10.1.2 During the audit, we observed the following irregularities associated with the entity's Fixed Assets Management System:
- There was no evidence of a fixed assets management policy.
 - The fixed assets register did not contain all the relevant columns.
 - The fixed assets register was not regularly updated.
 - Most fixed assets of the entity were not coded.

- There was no evidence of periodic physical verification of assets by Management
- There was no evidence of movement of assets form.
- There was no history of disposal of assets
- Fixed assets within a given vicinity were not displayed as required by the PFM Act. **See Appendix 9 for details.**

Risk

- 1.10.1.3 Fixed Assets may be misstated (Over/understated).
- 1.10.1.4 Fixed Assets may be damaged or impaired but their values are still on the books.
- 1.10.1.5 Fixed Assets may be removed from the entity's premises without authorization, misappropriated, subjected to personal use or theft.
- 1.10.1.6 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.
- 1.10.1.7 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.
- 1.10.1.8 Fixed Assets not coded may be susceptible to theft or diverted to personal use.

Recommendation

- 1.10.1.9 Management should develop, approve and operationalize a fixed asset management policy to regulate fixed assets activities of the entity.
- 1.10.1.10 Management should ensure that the fixed assets register is updated to reflect the following; description, class, code, location, condition, cost, depreciation expense, accumulated depreciation and net book value of the asset.
- 1.10.1.11 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.
- 1.10.1.12 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.
- 1.10.1.13 The Fixed Assets Register should be updated periodically to reflect all the entity's assets.
- 1.10.1.14 Fixed Assets within a particular vicinity should be clearly displayed as required by the PFM Act.

1.10.1.15 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

1.10.1.16 *Noted, Management takes note of the Auditor General's recommendation and is currently implementing such.*

Auditor General's Position

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

1.11 Inventory Management

1.11.1 Irregularities Associated with Inventory Management System

Criteria

1.11.1.1 Regulation U.7 (2) of the PFM Act of 2009 requires that notwithstanding sub-regulation (1), a head of Government Agency is responsible for the general management of government inventories held within the Government Agency and for the due performance of the duties of subordinate staff in relation to the government inventories.

Observation

1.11.1.2 During the audit, we observed the following irregularities associated with the inventory management system:

- No evidence of approved policy to regulate inventory management of the entity.
- Inventories were not systematically arranged on shelves and comprehensively labelled.
- Several instances of spoilage of inventories were reported.
- No evidence of manual or automated inventory management system comprehensively cataloging the following: goods ordered, goods received, goods requested, goods distributed, current running balance and buffer (minimum request before reordering) inventories/ stationery & supplies level established for each class of inventory/ stationery & supplies.
- No evidence of periodic physical verification of inventories/stock take.

Risk

1.11.1.3 Inventories may be procured, stored, distributed and reported on a discretionary basis in the absence of a policy.

1.11.1.4 Inventory may be susceptible to theft if kept in an unsecured custody.

- 1.11.1.5 Inventory may be susceptible to damage or misappropriation if stored in an inappropriate environment.
- 1.11.1.6 Inventory may not be duly accounted for in the absence of a comprehensive inventory management system and non-performance of periodic physical verification.
- 1.11.1.7 Inventory may be misappropriated leading to decline in operational activities.

Recommendation

- 1.11.1.8 Management should develop, approve and operationalize an inventory management policy to regulate inventory management of the entity. The policy should comprehensively catalog provisions for ordering, storing, distributing and recording of inventories/ stationery & supplies and the nature and timing of stock-take/ physical verification of inventories/ stationery and supplies.
- 1.11.1.9 Management should develop and operationalize an automated inventory management system to facilitate and ensure accurate records of inventories such as; purchases, distribution, current stock balance, reordering level, stock-out level etc.
- 1.11.1.10 Inventory should be stored in secured custody/warehouse protected by a metallic door and access granted only to authorized personnel at all times.
- 1.11.1.11 Inventory should be systematically arranged on shelves, comprehensively and systematically labelled to facilitate effective monitoring, evaluation and recording of inventories.
- 1.11.1.12 Management should perform periodic physical verification of inventory and review of systems and records. Appropriate adjustments should be made where applicable.
- 1.11.1.13 Evidence of approved policy, and all other inventory records including records of periodic stock takes, should be adequately documented and filed to facilitate future review.

Management's Response

- 1.11.1.14 *Noted, Management takes note of the Auditor General's recommendation, and it is being implemented.*

Auditor General's Position

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



1.12 Assurance Management

1.12.1 No Evidence of Approved Internal Audit Charter

Criteria

- 1.12.1.1 Part J 1(10) of the PFM Regulations states that "To enhance enforcement of powers and provide the Internal Audit Governance Board with a regulatory operational framework, a Public Sector Internal Audit Charter shall be provided to encompass internal audit mandate, functions and powers of the Internal Audit Governance Board".
- 1.12.1.2 The International Standards for Professional Practice of Internal Auditing Paragraph 1100 states that "the internal audit activity maintained by agencies and ministries must be independent, and internal auditors must be objective in performing their work."
- 1.12.1.3 Regulation J.3 (4b) of the PFM Act of 2009 states: "(4) Subject to the Public Finance Management Act 2009 or any other enactment, an internal audit unit established under sub regulation (1): shall carry out internal audit of its institution and shall submit reports on the internal audit it carries out in accordance with section 38 (3) and (4) of the Public Finance Management Act 2009; the Internal Audit Governance Board standards and procedures; the Government Agency or Government Organization's accounting and auditing instructions; and International Public Sector Accounting Standards, International Organization of Supreme Audit Institutions (INTOSAI) Standards, and Institute of Internal Auditors Standards as adopted by the Government of Liberia;"

Observation

- 1.12.1.4 During the audit, we observed no evidence of an approved internal audit charter to enhance the independence of the internal auditors at the entity.

Risk

- 1.12.1.5 In the absence of an approved internal audit charter, the independence, objectivity and activities of the Unit may be impaired.

Recommendation

- 1.12.1.6 Management should develop an Internal Audit Charter and submit same to the Board of Directors for subsequent review and approval.
- 1.12.1.7 Subsequently, Management should ensure that the Internal Audit Charter is operationalized to enhance the independence, objectivity and activities of the internal audit function. Evidence of the approved internal audit charter should be adequately documented and filed to facilitate future review.

Management's Response

- 1.12.1.8 *Noted, Management do take note of the Auditor General's recommendation.*

Auditor General's Position

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

1.12.2 No Evidence of Approved Internal Audit Plan

Criteria

1.12.2.1 Section 1110 of the International Standards for the Professional Practice of Internal Auditing (Standards) states that "Organizational independence is effectively achieved when the chief audit executive reports functionally to the board. Examples of functional reporting to the board involve the board:

- Approving the internal audit charter.
- Approving the risk based internal audit plan.
- Approving the internal audit budget and resource plan.
- Receiving communications from the chief audit executive on the internal audit activity's performance relative to its plan and other matters.
- Approving decisions regarding the appointment and removal of the chief audit executive.
- Approving the remuneration of the chief audit executive.
- Making appropriate inquiries of management and the chief audit executive to determine whether there are inappropriate scope or resource limitations".

Observation

1.12.2.2 During the audit, we observed no evidence of an approved internal audit plan that comprehensively catalog planned activities of the internal audit unit on an annual basis.

Risk

1.12.2.3 Risk assessment activities and periodic internal audits may not be effectively planned for and implemented in a timely manner. This may impair the achievement of the internal audit unit objectives.

1.12.2.4 Internal and external audit recommendations may not be follow-up on and implemented in a timely manner.

Recommendation

1.12.2.5 The Internal Audit Manager should facilitate the preparation of a comprehensive annual internal audit plan cataloging planned activities of the internal audit function. These activities should include periodic risk assessment, internal audits of selected management functions, and a schedule for follow-up on the implementation of internal and external audit recommendations. The annual internal audit plan should be submitted to the Board of Directors for approval and subsequently operationalized.

Management's Response

1.12.2.6 *Noted, Management do take note of the Auditor General's recommendation.*

Auditor General's Position

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

1.13 IT Management System

1.13.1 IT Governance

Criteria

- 1.13.1.1 EDM01.01 of COBIT 2019 states that; Evaluate the governance system. Continually identify and engage with the enterprise's stakeholders, document an understanding of the requirements, and evaluate the current and future design of governance of enterprise I&T.
- 1.13.1.2 EDM01.02 of COBIT 2019 states that; Direct the governance system. Inform leaders on I&T governance principles and obtain their support, buy-in and commitment. Guide the structures, Processes and practices for the governance of I&T in line with the agreed governance principles, decision-making models and authority levels. Define the information required for informed decision making.
- 1.13.1.3 EDM01.03 of COBIT 2019 states that; Monitor the governance system. Monitor the effectiveness and performance of the enterprise's governance of I&T. Assess whether the governance system and implemented mechanisms (including structures, principles and Processes) are operating effectively and provide appropriate oversight of I&T to enable value creation.

Observation

- 1.13.1.4 During the audit, we observed no evidence of a functional IT Governance to guide the structures, Processes and practices as well as provide oversight of the IT strategic goals, objectives and activities of the entity, evidenced by the absence of the following:
- IT Strategic Committee
 - Approved IT Strategic Plan
 - IT Steering Committee
 - Organogram
 - Training Program and
 - Service Level Agreement

Risk

- 1.13.1.5 Failure to constitute the above mention IT governance structure may cause misalignment between IT initiatives and the organization's strategic goals, leading to inefficient resource allocation and potentially jeopardizing the achievement of business objectives.

Recommendation

- 1.13.1.6 Management should prioritize the development of a well-defined IT governance that aligns with their strategic vision and facilitate the achievement of long-term goals. The

establishment of a robust IT governance framework will ensure that IT investments align with the nation's strategic objectives, enhancing transparency, accountability, and efficiency.

Management's Response

- 1.13.1.7 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.13.2 Security Management

Criteria

- 1.13.2.1 DSS05 of COBIT-2019 states that: Protect enterprise information to maintain the level of information security risk acceptable to the enterprise in accordance with the security policy. Establish and maintain information security roles and access privileges. Perform security monitoring.

Observation

- 1.13.2.2 During the audit, we observed no evidence of an IT security management to govern the IT Environment, evidenced by the absence of:
- Approved IT Security Policy
 - Installed, license, unexpired and updated Antivirus Program
 - Patch Management Process

Risk

- 1.13.2.3 The absence of IT Security management in an organization may lead to operational disruptions, legal ramifications, and financial losses. Without proper cybersecurity measures, organizations are vulnerable to cyberattacks that may result in the theft or corruption of sensitive data, leading to operational downtime and loss of productivity.

Recommendation

- 1.13.2.4 Management should establish and operationalize an IT Security Management to protect the organization assets and ensure the confidentiality, integrity, and availability of data. This process would involve implementing various security measures to guard against unauthorized access, cyberattacks, and other potential security breaches that could lead to data loss or damage.
- 1.13.2.5 Effective IT Security Management helps maintain the trust of stakeholders, protects the organization's reputation, and ensures compliance with regulatory requirements. It also plays a vital role in safeguarding the privacy of clients and employees, thus maintaining the overall security posture of an organization in the face of evolving digital threats.

Management's Response

1.13.2.6 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.13.3 Program Change Management

Criteria

1.13.3.1 BAI06.01 of COBIT-2019 states: Evaluate, prioritize and authorize change requests. Evaluate all requests for change to determine the impact on business Processes and I&T services, and to assess whether change will adversely affect the operational environment and introduce unacceptable risk. Ensure that changes are logged, prioritized, categorized, assessed, authorized, planned and scheduled.

Observation

1.13.3.2 During the audit, we observed no evidence of program change management to safely implement IT solutions in line with the agreed expectations and outcomes of change management processes; evidenced by the absence of:

- Documentation and approval processes to upgrades made to applications/ systems.
- Formal change request documentation completed indicating the change to be made and the reasons for changes to an application/ system.
- Ensure that programmers have access to the test environment only, not the live or production environments.

Risk

1.13.3.3 The absence of a structured program change management process may lead to significant risks, including the potential for unauthorized changes and the lack of traceability for modifications made to systems or applications.

Recommendation

1.13.3.4 Management should develop and operationalize a robust change management program which includes comprehensive documentation and approval processes for upgrades, patches, and reviewed before implementation.

1.13.3.5 Implementing these steps can help in aligning changes with organizational policy and maintaining the integrity of the IT infrastructure.

Management's Response

1.13.3.6 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

1.13.3.7 We acknowledge Management's acceptance of our findings and recommendations. We will

follow up on the implementation of our recommendations during subsequent audit.

1.13.4 Physical Access Controls

Criteria

- 1.13.4.1 DSS05.05 of COBIT-2019 states, Manage physical access to I&T assets. Define and implement procedures (including emergency procedures) to grant, limit and revoke access to premises, buildings and areas, according to business need. Access to premises, buildings and areas should be justified, authorized, logged and monitored. This requirement applies to all persons entering the premises, including staff, temporary staff, clients, vendors, visitors or any other third party.

Observation

- 1.13.4.2 During the audit, we observed no evidence of physical access controls to protect IT assets, evidenced by the absence of:
- Establishment of policy that cover physical access to IT Environments
 - Control of access to sensitive area, such as computer room, operations, storage rooms, network rooms etc.
 - Control of physical access after hours

Risk

- 1.13.4.3 The absence of physical access controls may lead to unauthorized entry, theft, vandalism, or even compromise of sensitive information.

Recommendation

- 1.13.4.4 Management should develop, approve and operationalize a physical access control policy to protect IT assets. Evidence of approved physical access control policy should be adequately documented and filed to facilitate future review.

Management's Response

- 1.13.4.5 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.13.5 Environmental Controls

Criteria

- 1.13.5.1 DSS01.04 of COBIT-2019 states, Manage the environment. Maintain measures for protection against environmental factors. Install specialized equipment and devices to monitor and control the environment. Identify how I&T equipment, including mobile and off-site equipment, is protected against environmental threats. Ensure that the policy limits or excludes eating, drinking and smoking in sensitive areas, and prohibits storage of stationery and other supplies that pose a fire hazard within computer rooms.

Observation

1.13.5.2 During the audit, we observed no evidence of an IT Environmental control, evidenced by the absence of:

- Environmental control policy
- Fire suppression systems (at all buildings)
- Fire extinguishers (at all buildings)
- Uninterrupted Power Supply (UPS)

Risk

1.13.5.3 The absence of robust IT environmental controls may lead to environmental hazards, potentially disrupting operations and damaging valuable IT assets.

Recommendation

1.13.5.4 Management should develop, approve and operationalize an environmental control policy and put in place suppression systems and fire extinguishers to protect against potential fire hazards.

1.13.5.5 Evidence of approved environmental controls policy should be adequately documented and filed to facilitate future review.

Management's Response

1.13.5.6 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.13.6 Logical Access Controls

Criteria

1.13.6.1 DSS05.04 of COBIT 2019 states that Manage user identity and logical access. Ensure that all users have information access rights in accordance with business requirements. Coordinate with business units that manage their own access rights within business Processes. Maintain user access rights in accordance with business function, process requirements and security policies. Align the management of identities and access rights to the defined roles and responsibilities, based on least-privilege, need-to-have and need-to-know principles.

Observation

1.13.6.2 During the audit, we observed no evidence of logical access controls to protect the entity's assets (applications and computers) from unauthorized users; evidenced by the absence of:

- Approved User policy
- Review of user access rights
- Unique user name and password

- Password length and expiration

Risk

- 1.13.6.3 The absence of a logical access control may lead to unauthorized access, errors, fraud, and breach of confidentiality, integrity, and unavailability of data.

Recommendation

- 1.13.6.4 Management should develop, approve and operationalize logical access control policy (user policy) to protect the confidentiality, integrity, and availability of data against unauthorized use.
- 1.13.6.5 Evidence of approved logical access controls policy should be adequately documented and filed to facilitate future review.

Management's Response

- 1.13.6.6 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

1.13.7 IT Service Continuity

Criteria

- 1.13.7.1 DSS04.03 of COBIT 2019 state that "provides for entities to develop a business continuity plan (BCP) based on the strategy that documents the procedures and information in readiness for use in an incident to enable the enterprise to continue its critical activities."
- 1.13.7.2 DSS04.02 of COBIT 2019 state that "Evaluate business resilience options and choose a cost-effective and viable strategy that will ensure enterprise continuity, disaster recovery and incident response in the face of a disaster or other major incident or disruption."
- 1.13.7.3 APO01.05 Establish roles and responsibilities. Define and communicate roles and responsibilities for enterprise I&T, including authority levels, responsibilities and accountability.

Observation

- 1.13.7.4 During the audit, we observed no evidence of IT Service Continuity plan to ensure enterprise continuity, disaster recovery and incident response in the face of a disaster or other major incident or disruption, evidenced by the absence of:
- A disaster recovery plan
 - On and off-site storage of IT continuity plan and disaster recovery plan
 - Implementation of backup and retention strategy
 - Perform verify and check backup for successful completion

- Secure storage of off-site backup facility

Risk

- 1.13.7.5 The lack of an IT Service Continuity plan may lead to inadequate response disruption or disaster and lack of resilience.

Recommendation

- 1.13.7.6 Management should develop, approve and operationalize an IT Service Continuity plan to strengthen the entity IT infrastructure and adequately respond to disaster.
- 1.13.7.7 Evidence of approved IT Service Continuity plan should be adequately documented and filed to facilitate future review.

Management's Response

- 1.13.7.8 *Noted, Management takes note of the Auditor General's recommendation.*

Auditor General's Position

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

APPENDICES

Appendix 1: Irregularities Associated with Travel Expenditures

Date	Name	Memo	Amount US\$
1/15/2021	James O. Williams	Vou#4369 ck#01378083 Payment represents DSA to staff traveling to 3 counties (River Gee, Grand ...	200.00
1/15/2021	Ferricks L. Dainsee	Vou#4369 ck#01378084 Payment represents DSA to staff traveling to 3 counties (River Gee, Grand K...	240.00
1/15/2021	Mcgill Porte	Vou#4369 ck#01378085 Payment represents DSA to staff traveling to 3 counties (River Gee, Grand K...	140.00
1/15/2021	Wesley A. Darbeh	Vou#4369 ck#01378086 Payment represents DSA to staff traveling to 3 counties (River Gee, Grand K...	140.00
2/10/2021	Amelia B.Beyan	Vou#4520 ck#01378241 Payment represents DG incidental allowance for the entourage traveling on p...	1,500.00
3/19/2021	Tetee Fukah Gebro	Vou#4559 ck#01378030 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	450.00
3/19/2021	Issac Redd	Vou#4559 ck#01378031 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	450.00
3/19/2021	Michael Karr	Vou#4559 ck#01378042 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	300.00
3/19/2021	Cisco A. Toe	Vou#4559 ck#01378032 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	210.00
3/19/2021	Prince Kodorwalee	Vou#4559 ck#01378033 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	210.00
3/19/2021	Paul Mulbah	Vou#4559 ck#01378034 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	210.00
3/19/2021	Sampson Teage	Vou#4559 ck#01378040 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	210.00
3/19/2021	Varflay Kamara	Vou#4559 ck#01378039 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	210.00
3/19/2021	Winston W. Bestman	Vou#4559 ck#01378038 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	210.00
3/19/2021	Richmond Sam	Vou#4559 ck#01378037 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	210.00
3/19/2021	Anthony Williams	Vou#4559 ck#01378036 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	210.00
3/19/2021	Boima Kamara	Vou#4559 ck#01378035 Payment represents Dsa for traveling with the 2nd leg of the President's cou...	210.00
5/5/2021	Estelle Liberty Kemoh	Vou#4698 ck#01378379 Payment represents DSA for DG traveling on the Presidential tour to Sinoe ...	500.00
5/5/2021	Isaac G. Redd	Vou#4698 ck#01378380 Payment represents DSA for DDG/R traveling on the Presidential tour to Sin...	375.00
5/5/2021	Boima Kamara	Vou#4698 ck#01378382 Payment represents DSA for employee traveling on the Presidential tour to S...	175.00
5/5/2021	Starr S. Kolenky	Vou#4698 ck#01378383 Payment represents DSA for employee traveling on the Presidential tour to S...	175.00
5/5/2021	Anthony N. Williams	Vou#4698 ck#01378384 Payment represents DSA for employee traveling on the Presidential tour to S...	175.00

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Date	Name	Memo	Amount US\$
5/5/2021	Marlon Johnson	Vou#4698 ck#01378385 Payment represents DSA for employee traveling on the Presidential tour to S...	250.00
5/5/2021	Samuel S. B. Brown	Vou#4698 ck#01378386 Payment represents DSA for employee traveling on the Presidential tour to S...	250.00
5/5/2021	Alfred Wright	Vou#4698 ck#01378387 Payment represents DSA for employee traveling on the Presidential tour to S...	175.00
5/5/2021	Ben Fleeming	Vou#4698 ck#01378388 Payment represents DSA for employee traveling on the Presidential tour to S...	175.00
5/5/2021	RACHEL G. KOLLIE	Vou#4698 ck#01378389 Payment represents DSA for employee traveling on the Presidential tour to S...	250.00
5/5/2021	Michael Karr	Vou#4698 ck#01378390 Payment represents DSA for employee traveling on the Presidential tour to S...	250.00
5/5/2021	Saah Baryoh	Vou#4698 ck#01378391 Payment represents DSA for employee traveling on the Presidential tour to S...	175.00
6/1/2021	Estella Liberty Kemoh	Vou#4761 ck#01456908 Payment represents DSA to employee traveling on the Presidential tour to Lo...	700.00
6/1/2021	Isaac G. Redd	Vou#4761 ck#01456909 Payment represents DSA to employee traveling on the Presidential tour to Lo...	525.00
6/1/2021	Tete Fukah Gebro	Vou#4761 ck#01456910 Payment represents DSA to employee traveling on the Presidential tour to Lo...	525.00
6/1/2021	Linda T. Sherman	Vou#4761 ck#01456912 Payment represents DSA to employee traveling on the Presidential tour to Lo...	245.00
6/1/2021	Anthony N. Williams	Vou#4761 ck#0145691213 Payment represents DSA to employee traveling on the Presidential tour to ...	245.00
6/1/2021	Moses Dorbor	Vou#4761 ck#0145691214 Payment represents DSA to employee traveling on the Presidential tour to ...	245.00
6/1/2021	Varflay Kamara	Vou#4761 ck#0145691215 Payment represents DSA to employee traveling on the Presidential tour to ...	245.00
6/1/2021	Michael Karr	Vou#4761 ck#0145691218 Payment represents DSA to employee traveling on the Presidential tour to ...	350.00
6/1/2021	Richmond Sam	Vou#4761 ck#0145691219 Payment represents DSA to employee traveling on the Presidential tour to ...	245.00
6/1/2021	Saah Baryoh	Vou#4761 ck#0145691220 Payment represents DSA to employee traveling on the Presidential tour to ...	245.00
6/1/2021	Boima Kamara	Vou#4761 ck#0145691211 Payment represents DSA to employee traveling on the Presidential tour to ...	245.00
6/1/2021	Peter W. Nimely	Vou#4761 ck#0145691216 Payment represents DSA to employee traveling on the Presidential tour to ...	245.00
6/1/2021	RACHEL G. KOLLIE	Vou#4761 ck#0145691217 Payment represents DSA to employee traveling on the Presidential tour to ...	245.00
7/2/2021	James O. Williams	Vou#4828 ck#01456834 Payment represents transportation & DSA for 3 days travel to Greenville County	291.00
10/6/2021	VICTOR KEZELEE	Vou#5045 ck#01456973 Payment represents stipend employee traveling to Ghana for training	700.00
10/6/2021	Cisco A. Toe	Vou#5045 ck#01456974 Payment represents stipend employee traveling to Ghana for training	700.00



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10/6/2021	Abraham P. Taylor	Vou# 5045 ck#01456975 Payment represents stipend employee traveling to Ghana for training	700.00
10/6/2021	James O. Williams	Vou# 5045 ck#01456976 Payment represents stipend employee traveling to Ghana for training	700.00
10/6/2021	Cecelia Clarke	Vou# 5045 ck#01456977 Payment represents stipend employee traveling to Ghana for training	700.00
10/6/2021	Jlasnoti Wejlah	Vou# 5045 ck#01456978 Payment represents stipend employee traveling to Ghana for training	700.00
11/25/2021	Euro World Travel & Tour Services	Vou# 5176 ck#01456001 Payment represents round ticket to facilitate DG travel from Monrovia to Ab...	725.00
11/25/2021	Estelle Liberty Kemoh	Vou# 5180 ck#01456020 Payment represents incidental allowance for DG five (5) days travel to Ivor...	2,035.00
12/14/2021	LBS Staff	Vou# 5245 ck#01560833-835 Payment represents incidental allowance for three staff travelling to ...	3,000.00
Total			22,791.00

Appendix 2: Non-Withholding and Remittance of GST

Payee	Description	Date	Check Num	PV Num	Amt USD	Amt LD
Liberia Home & office Supplies	Payment represents for one set cartridge for DG Office	17-Jan-22	1652539	5727	252.00	
Eagle electrical Corp.	Payment represents assorted electrical materials for LBS	17-Aug-22	1652689	5878	3,067.00	
LIPFOCAI	Payment represents the purchase of 147pcs of rebound mattress for LBS theater project	7-Sep-22	1652744	5923	3,381.00	
Aminata & Son Inc	Payment represents product supplies to four of our six regions	19-Oct-22	1652819	6013	21,467.70	
Doteck	Payment represents the purchase of assorted TV equipment for studio transmitter	6-Jan-22	N/A	5781	3,100.00	
Joycee Interbiz	Payment for assorted electronic and technical material for the world cup satellite dish installation	2-Nov-22	1652871	6052	623.20	

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Payee	Description	Date	Check Num	PV Num	Amt USD	Amt LD
Eagle electrical Corp.	Payment for assorted bathroom materials	1-Jul-22	1652599	5775	315.00	
Automative Management Solution	Payment for assorted spare parts fo servicing & repair of LBS-22 old OB jeep	22-Apr-22	1560100	5671	1,045.00	
Aminata & Son Inc	Payment to Aminata & Sons for 3000 gallons of diesel bulk fuel on acct.	3-Jun-22	475629	5705	16,410.00	
Orange Liberia	Six months re subscription for fast connected data package	5-Dec-22	20423775	6170		91,800.00
Raj Enterprise	payment for 297 pieces of assorted scratch cards for LBS Operation	3-Aug-22	1652660	5833	1,430.00	
Spectrum Print Inc	Assorted printing materials for awards night for LBS Staff	12-Oct-22	1652809	6001	3,727.00	
Emmanuel W. Kai	Payment for 3 sets of Motorola for multi TV & Satcon Platform	1-Nov-22	1652963	6043	1,717.40	
Ducor Vehicle Rental Service	Six days vehicle rental from Monrovia to Ganta for retreat	8-Jul-22	1652611	5795	1,800.00	
DHL	Courier service of invoice to China Media group	13-Jan-22	1560138	5362	154.00	
TOTAL					58,489.30	91,800.00

Appendix 3: Irregularities Associated With Procurement Management

DATE	PAYEE	DESCRIPTION	USD	LD	CHECK NUMBER
NOV 30,2023	GYUDED SHANNON A.	PAYMENTS REPRESENTS, WATER, WINE AND SOFTDRINKS FOR YEARS END ACTIVITIES		562,870.00	20036659
NOV 30,2023	GYUDED SHANNON A.	PAYMENT REPRESENTING	2,000.00		00476825

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DATE	PAYEE	DESCRIPTION	USD	LD	CHECK NUMBER
		GIFTS FOR CHILDREN AT YEAR END PARTY			
OCT 25, 2029	WISE SUTO PARTS	PAYMENT REPRESENTS ASORTED ITEMS TO SERVICE LBS 250 KVA GENERATOR	520.00		00925147
DEC 1, 2023	EVERNREEN AUTO SERVICE	PAYMENT REPRESENTS GENERATOR SPARES PARTS	870.00		00426826
MARCH 6, 2023	CONEX ENERGY	PAYMENT REPRESENTS 4500 GALLONS DIESEL	24,835.00		00476215
TOTAL			28,225.00	562,870.00	

Appendix 4: Inadequate Records in Personnel Files

No	Name of staff	Sex	ID#	Position (at time of hired)	Department/Unit /Section	Comment
1	Linda T. Sherman	F	LBS 004-12-3	Technician Assistant	Engineering	No PAN, Personnel Evaluation and No candidate evaluation form
2	Christiana M. Flomo	F	LBS 004-11-4-10	Technician	Engineering	No PAN, Personnel Evaluation and No candidate evaluation form
3	A. Byron Chappie	M	LBS 003-7-1	Budget Analyst	Account	No PAN, Personnel Evaluation and No candidate evaluation form
4	Gyudede A. Shannon	F	LBS 004-3	Office Assistant	Human Resource	No PAN, Personnel Evaluation and No candidate evaluation form
5	A. Bokar Tallawford	M	LBS 001-6	Internal Auditor Unit	Media Services	No PAN, Personnel Evaluation and No candidate evaluation form
6	Laura S. Brown	F	LBS 004-1	Administrative Assistant	Deputy Director	No PAN, Personnel Evaluation and No candidate evaluation form
7	Bernice S. Tokpa	F		Secretary	Account	No PAN, Personnel Evaluation and No candidate evaluation form
8	Prince Kordorwalee	M		Janitor	Operation	No PAN, Personnel Evaluation and No

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No	Name of staff	Sex	ID#	Position (at time of hired)	Department/Unit /Section	Comment
						candidate evaluation form
9	Cyrus Miller	M	LBS 004-13-6	Plumber	Maintenance	No PAN, Personnel Evaluation and No candidate evaluation form
10	Charles B. Johnson	M		Radio Announcer	Radio	No PAN, Personnel Evaluation and No candidate evaluation form
11	Fabine Kwiah	F	LBS 002-17-1	Radio Announcer	Radio	No PAN, Personnel Evaluation and No candidate evaluation form
12	Korlu W. Kollie	F		Lorma Announcer	Rural Broadcasting	No PAN, Personnel Evaluation and No candidate evaluation form
13	Assata V Kaba	F	LBS 005-6-11	Mandigo Announcer	Rural Broadcasting	No PAN, Personnel Evaluation and No candidate evaluation form
14	Victoria Flumo	F		Administrative Assistant	Deputy Director	No PAN, Personnel Evaluation and No candidate evaluation form
15	Tarnue Gobeh	M	LBS 004-12	Electrician	Engineering	No PAN, Personnel Evaluation and No candidate evaluation form
16	David K. Gargannah	M	LBS 005-6-4	Bassa Announcer	Rural Broadcasting	No PAN, Personnel Evaluation and No candidate evaluation form
17	Nikita E. Williams	M	LBS 004-11-4-11	Chief Engineer	Technical	No PAN, Personnel Evaluation and No candidate evaluation form
18	Martha Cole Cooper	F	LBS 003-5-7	Janitor	Operation	No PAN, Personnel Evaluation and No candidate evaluation form
19	Julius Fatoma	M		Junior Technician	Engineering	

Appendix 5: No Contracts for Support Staff (Volunteer Workers)

Date	Name	Memo	Amount US\$
12/05/2022	General Revenue Account	Vou#6164 #Mngt Payment represents withholding Taxes for Consultants & Contractors for the perio...	4,865.01
10/24/2022	George Wonnie	Payment represents to contract all of ur participants men's day program	4.00
04/07/2022	Harriet & Korlu Business Center	Vou#5564 Batch77162# Payment represents lunch for contractors for those who plastered the LBS co...	132.58
02/01/2022	LBS Contractors	Vou#54337 ck#01560226-01560240 Payment	2,808.82



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Date	Name	Memo	Amount US\$
		represents LBS contractors pay for the month of January 2022	
03/07/2022	Prince Saa Tamba	Vou#5511 ck#00475258 Payment represents 60% contractor workmanship for one set modern stage with...	1,850.40
03/25/2022	LBS Contractors	Vou#5554 ck#00475292-356 Payment represents contractor compensation for the month of March 2022	3,045.46
04/20/2022	General Revenue Account	Vou#5629 Mngt ck Payment represents withholding arrears for consultants & contractors	3,068.60
06/27/2022	LBS Contractors	Vou#5748 ck#01652555-572 Payment represents contractors' stipend for the month of June 2022	3,741.38
08/15/2022	DHL	Vou#5865 ck#00475779 Payment represents freight services fee to deliver CCTV Invoice & contract ...	154.00
09/27/2022	LBS Contractors	Vou#5953 ck#00475864-81 Payment represents contractors' compensation for the month of Sept 2022	3,798.53
11/01/2022	John B. Musah	Vou#6051 ck#00475969 Payment represents contractual compensation for being producer / Recordist	250.00
11/01/2022	John Dennis Weah Jr.	Vou#6050 ck#00475968 Payment represents contractual compensation for being producer / Recordist	250.00
11/10/2022	DHL	Vou#6069 ck#00475985 Payment represents freight service fee to deliver invoice & contract to Chi...	154.00
11/24/2022	LBS Correspondents	Vou#6093 ck#00476005 - 00476022 Payment represents contractor's salaries Nov. 2022	3,798.53
11/25/2022	LBS Contractors	Vou#6113 ck#00476039-056 Payment represents contractors pay for the month December 2022	3,798.53
12/07/2022	LBS Contractors	Vou#6182 ck#80029480-497 Payment represents Christmas bonus for contractors	3,799.30
12/29/2022	Joseph T. Koon	Vou#6191 ck#00476107 Payment represents contracts payment for the month Dec. 2022	354.60
04/11/2022	Larkpazee Community Church	Airing of Church program for the month of February, 2022 (CONTRACT)	300.00
04/12/2022	JFK	Payment for the 1st quarter (Jan. - Mar, 2022) (CONTRACT)	1,625.00
06/30/2022	Ministry of Youth & Sports	Payment for the 4th quarter (Oct. - Dec. 2021) CONTRACT	1,500.00
07/12/2022	Lonestar Cell Communication	Payment for January and February 2022 (Contract)	1,512.50
08/09/2022	Lonestar Cell Communication	Payment for March-July, 2022 (CONTRACT)	3,750.00
09/15/2022	JFK	Payment for the 2nd quarter (April-June, 2022) (CONTRACT)	1,625.00



Date	Name	Memo	Amount US\$
10/17/2022	J-Palm Liberia	Airing of Radio Jingle and Live Appearances on the "Liberia Today" (Contract September 2022)	960.00
07/12/2022	Lonestar Cell Communication	Payment for January and February 2022 (Contract)	1,512.50
09/15/2022	JFK	Payment for the 2nd quarter (April-June, 2022) (CONTRACT)	1,625.00
10/10/2022	LANDESA	Airing of Land is life program (CONTRACT) FOURTH QUARTER	2,988.00
10/17/2022	J-Palm Liberia	Airing of Radio Jingle and Live Appearances on the "Liberia Today" (contract September 2022)	750.00
11/25/2022	Orange Liberia	Payment for the month of October (Contract)	900.00
Total			54,921.74

Appendix 6: Non-remittance of NASSCORP's Contributions

No	Month and Year (per fiscal period)	Total NASSCORP Contribution (per journal/approved payroll) A	Total NASSCORP Contribution (per debit instruction/letter to bank) B	Total Amount (per NASSCORP Office Receipt) C	Comment
1	July, 2019	2,655.07	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
2	August, 2019	2,619.46	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
3	September, 2019	2,496.24	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
4	October, 2019	2,422.46	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
5	November, 2019	2,431.34	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
6	December, 2019	2,431.34	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
7	January, 2020	2,203.21	not available	not available	No Debit instruction or letter from the bank

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					and no NASSCORP receipt
8	February, 2020	2,417.17	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
9	March, 2020	2,376.23	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
10	April, 2020	2,417.55	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
11	May, 2020	2,417.55	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
12	June, 2020	2,417.55	not available	not available	No Debit instruction or letter from the bank and no NASSCORP receipt
Total		29,305.17			



Appendix 7: Exited Individual Maintained on Payroll

No	Name of staff leaving	Position	Leaver Type (Termination, Resignation, Pension or Death)	Date of leaving per doc.	Date Name removed from Payroll	Number of month(s) name maintained on payroll after leaving	Spell out month(s) name was unlawfully maintained on payroll	Total amount personnel was unlawfully paid (per payroll)	Comment
1	Alex S. Howe	Security	Retired	21-Apr	Sept.2021	3 months	May, July, and Aug.2021	401.52	June 2021 payroll available
2	John Tokpa	Security	Retired	21-Apr	Sept.2021	3month	May, July, and Aug.2021	401.52	June 2021 payroll available
3	Holland Blama	Security	Retired	21-Apr	Sept.2021	3month	May, July, and Aug.2021	401.52	June 2021 payroll available
4	Ferricks Diansee	Dir. Rural B/Cast	Retired	21-Apr	Sept.2021	3month	May, July, and Aug.2021	1,550.67	June 2021 payroll available
5	Tehajlahel Sekeypoh	Kru Reporter	Retired	21-Apr				424.38	June 2021 payroll available
6	Abraham B. Wreh	Researcher	Retired	21-Apr		3month	may, July & Aug.2021	460.17	June 2021 payroll was not provided
7	Emmanuel Capehart	Dir. Of Radio	Retired	21-Apr	Sept.2021	3 months	May, July & Aug.2021	526.62	June 2021 payroll was not provided
8	T. Bai Kiadii	utilities Driver	Retired	21-Apr	Sept.2021	3 months	may, July & Aug.2021	471.69	June 2021 payroll was not provided
9	Lawrence	Traffic	Retired	21-Apr	Sept.2021	3 months	May, July	500.55	June 2021 payroll



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No	Name of staff leaving	Position	Leaver Type (Termination, Resignation, Pension or Death)	Date of leaving per doc.	Date Name removed from Payroll	Number of month(s) name maintained on payroll after leaving	Spell out month(s) name was unlawfully maintained on payroll	Total amount personnel was unlawfully paid (per payroll)	Comment
	Kordorwalee	Officer					&Aug.2021		was not provided
10	Gertrude Davies	Human Resource Officer	Retired	21-Apr	Sept.2021	3 months	may, July &Aug.2021	939.45	June 2021 payroll was not provided
11	Amelia B. Beyan	Finance officer	Retired	21-Apr	Sept.2021	3 months	May, July &Aug.2021	504.65	
12	Eddie Garnett	Producer	Retired	21-Apr	Sept.2021	3 months	may, July &Aug.2021	694.53	June 2021 was not provided
13	Elizabeth Gray	Special Assistant	Retired	21-Apr	Sept.2021	3 months	may, July &Aug.2021	1,222.26	June 2021 was not provided
TOTAL								8,499.53	



Appendix 8: Employees due for Retirement

No	Name of staff leaving	Position	Leaver Type (Termination, Resignation, Pension or Death)	Date of leaving per doc.	Date Name removed from Payroll	Number of month(s) name maintained on payroll after leaving	Spell out month(s) name was unlawfully maintained on payroll	Total amount personnel was unlawfully paid (per payroll)	Comment
1	Alex S. Howe	Security	Retired	21-Apr	Sept.2021	3 months	May, July, and Aug.2021	401.52	June 2021 payroll available
2	John Tokpa	Security	Retired	21-Apr	Sept.2021	3month	May, July, and Aug.2021	401.52	June 2021 payroll available
3	Holland Blama	Security	Retired	21-Apr	Sept.2021	3month	May, July, and Aug.2021	401.52	June 2021 payroll available
4	Ferricks Diansee	Dir. Rural B/Cast	Retired	21-Apr	Sept.2021	3month	May, July, and Aug.2021	1,550.67	June 2021 payroll available
5	Tehajlahel Sekeypoh	Kru Reporter	Retired	21-Apr				424.38	June 2021 payroll available
6	Abraham B. Wreh	Researcher	Retired	21-Apr		3month	may, July &Aug.2021	460.17	June 2021 payroll was not provided
7	Emmanuel Capehart	Dir. Of Radio	Retired	21-Apr	Sept.2021	3 months	May, July &Aug.2021	526.62	June 2021 payroll was not provided
8	T. Bai Kiadii	utilities Driver	Retired	21-Apr	Sept.2021	3 months	may, July &Aug.2021	471.69	June 2021 payroll was not provided
9	Lawrence Kordorwalee	Traffic Officer	Retired	21-Apr	Sept.2021	3 months	May, July &Aug.2021	500.55	June 2021 payroll was not provided
10	Gertrude Davies	Human Resource Officer	Retired	21-Apr	Sept.2021	3 months	may, July &Aug.2021	939.45	June 2021 payroll was not provided
11	Amelia B. Beyan	Finance officer	Retired	21-Apr	Sept.2021	3 months	May, July	504.65	



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No	Name of staff leaving	Position	Leaver Type (Termination, Resignation, Pension or Death)	Date of leaving per doc.	Date Name removed from Payroll	Number of month(s) name maintained on payroll after leaving	Spell out month(s) name was unlawfully maintained on payroll	Total amount personnel was unlawfully paid (per payroll)	Comment
							&Aug.2021		
12	Eddie Garnett	Producer	Retired	21-Apr	Sept.2021	3 months	may, July &Aug.2021	694.53	June 2021 was not provided
13	Elizabeth Gray	Special Assistant	Retired	21-Apr	Sept.2021	3 months	may, July &Aug.2021	1,222.26	June 2021 was not provided
TOTAL								8,499.53	

Appendix 9: Irregularities Associated with Fixed Asset Management

VEHICLE											
QTY	ASSET	CODE	ASSIGN/LOCATION	DATE	COST	DEPR. RATE	Annual Depr chg	NO. OF MONS.	Depreciation charge	Net Book Value	
1	CHEVROLET. THOE	A60790	DIRECTOR GENERAL	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	FORD EVERAST	N/A	GARAGE	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	HYUNDAI SANTAFE	N/A	GARAGE	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	NISSAN NAVARA	N/A	GARAGE	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	PRADO JEEP		PROCUREMENT	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	NISSAN PATHFINDER	LBS-16	BUSINESS	08-312020	N/A	N/A	N/A	N/A	N/A	N/A	
	NISSAN ROUGE	LBS-3	DDG/ADM	08.31.2020		N/A	N/A	N/A	N/A	N/A	
1	FOUTON/CHINES		DEPUTY ENGINEER	08-312020	N/A	N/A	N/A	N/A	N/A	N/A	
1	TOYOTA LAND CURI	A614558	OPERATIONS	08-312020	N/A	N/A	N/A	N/A	N/A	N/A	
1	ODESSEY/VAN	LBS-18	LNTV	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	



AUDITOR GENERAL'S REPORT On the
 Compliance Audit of the Liberia Broadcasting System (LBS)
 For the Year July 1, 2019 through December 31, 2023

VEHICLE											
QTY	ASSET	CODE	ASSIGN/LOCATION	DATE	COST	DEPR. RATE	Annual Depr chg	NO. OF MONS.	Depreciation charge	Net Book Value	
1	HYUNDAI SANTA LBS-2		DDG/MS	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	NISSAN HARD BODY	N/A	GBK GARAGE	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	TOYOTA LAND CURI	N/A	OPS	23-Jan-21	N/A	N/A	N/A	N/A	N/A	N/A	
1	MOTOR BIKE		OPERATIONS	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	MOTOR BIKE		BUSINESS	8/31/2020	N/A	N/A	N/A	N/A	N/A	N/A	
1	MOTOR BIKE		BONG COUNTY	8/31/2020	N/A	N/A	N/A	N/A	N/A	N/A	
1	CATERPILLAR/250KVA	N/A	HEAD OFFICE	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	COMMINGS/450KVA	N/A	HEAD OFFICE	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	VOLVO-PENTA/250KVAN/A	N/A	HEAD OFFICE	31-Aug-20		N/A	N/A	N/A	N/A	N/A	
1	JOHN DEER/45KVA	N/A	GRANS BASSACO.	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	JOHN DEER/45KVA	N/A	BOMI COUNTY	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	JOHN DEE/R45KVA	N/A	LOFA COUNTY	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	JOHN DEER/45KVA	N/A	MARY LAND CO.	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	JHON DEER/45KVA	N/A	BONG COUNTY	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	JOHN DEER/45KVA	N/A	GRAND GDDEH CO.	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	
1	CATERPILLAR/35KVA	N/A	SINOE COUNTY	31-Aug-20	N/A	N/A	N/A	N/A	N/A	N/A	

