Management Letter

On the Financial Statements Audit of the Governance Commission (GC)

For the period July 1, 2020 to June 30 2021

Promoting Accountability of Public Resources

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

Monrovia, Liberia
December 2023

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ACRONYMS USED

Acronyms/Abbreviations/Symbol	Meaning
AFP	Audit Focal Person
AG	Auditor General
CFC	Certified Financial Consultant
CFIP	Certified Financial Investigation Professional
ED	Executive Director
FCCA	Fellow Chartered Certified Accountant
F/S	Financial Statements
GC	Governance Commission
GoL	Government of Liberia
IFMIS	Integrated Financial Management Information System
IFR	Interim Financial Reports
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standards of Supreme Audit Institutions
No.	Number
N/A	Not Applicable
QPR	Quarterly Progress Report
Qty	Quantity
SOE	Statement of Expenditures
ToR	Term of Reference
USD	United States Dollars

December 1, 2023

Hon. Garrison Yealue
Chairman
Governance Commission
9th Street, Sinkor
Monrovia, Liberia

Dear Hon. Yealue:

Re: Management Letter on the Financial Statement Audit of the Governance Commission (GC) for the Fiscal Period July 1, 2020 to June 30, 2021

Introduction
The Financial Statements of the Governance Commission (GC) are subject to audit by the Auditor-General (AG) consistent with the Auditor General's mandate as provided for in Section 2.1.3 of the GAC Act of 2014 as well as the Audit Engagement Terms of Reference (ToR).

The audit of the Governance Commission (GC) for the fiscal period July 1, 2020 to June 30, 2021 was completed and the purpose of this letter is to bring to your attention the findings that were revealed during the conduct of the audit.

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

An audit includes:

- Examination on a test basis of evidence supporting the amounts and disclosures in the financial statements;

- Assessment of the accounting principles used and significant estimates made by management; and

- Evaluation of the overall financial statement presentation.

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

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

The financial statements, maintenance of effective control measures and compliance with laws and regulations are the responsibility of the Governance Commission. Our responsibility is to express our opinion on these financial statements.

Key Management Personnel

No	Title/Position Held	Name	Period of Service
1.	Commission/ Officer in Charge	Elizabeth W. Dorkin	2020/2021
2.	Vice Chair-Person	George Howard	2020/2021
4.	Commissioner	E. Othello Gongar	2020/2021
5.	Commissioner	Wesley M. Johnson	2020/2021
6.	Executive Director	Stephen S. Manley	2020/2021
8.	Human Resource Director	Maima M. Roberts	2020/2021
9.	Grant Portfolio Director	Catherine H. Karmo	2020/2021
10.	Procurement Director	Quoquoi Z. Gayflor	2020/2021
11.	Finance Manager	Kollie A. Dorko	2020/2021
12.	Finance Officer II	Emmanuel Rennie	2020/2021

Appreciation

We would like to express our appreciation for the courtesy extended and assistance rendered by the staff of the Governance Commission (GC) during the conduct of the audit.

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

Monrovia, Liberia
December 2023

1 DETAILED FINDINGS AND RECOMMENDATIONS

1.1 Financial Issues

1.1.1 Unsystematic Structure of Notes to the Financial Statements

Observation

1.1.1.1 Paragraph 1.3.25 (b), 1.3.26 of the Cash Basis IPSAS (2017) state that, "the notes to the financial statements of an entity shall provide additional information which is not presented on the face of the financial statements but is necessary for a fair presentation of the entity's cash receipts, cash payments and cash balances. Notes to the financial statements shall be presented in a systematic manner, each item on the face of the statement of cash receipts and payments and other financial statements shall be cross referenced to any related information in the notes.

1.1.1.2 During the audit, we observed that the notes to the financial statements were not presented in a systematic manner as prescribed by the Standards. **See table 1, below for details**.

Table #1: Unsystematic Structure of Notes to the Financial Statements

Notes to the financial statement prepared by GC	As Provided for by IPASAS (See Appendix 2 (1-10)
1.General Information	1.General Information
2.Accounting policies	2.Cash
3. Authorization date	3.Borrowings
4. Authorized Allocations/Appropriation	4.Other Receipts
5. Other Receipts	5.Other Payments/ Expenditure
6. Payment -Operations	6.Undrawn borrowing facilities other than undrawn external assistance
7. External Assistance	7.Significant controlled entities
8. Cash and Cash Equivalents	8.Authorization date
9. Original and Final Approved Budget and Comparison of Actual and Budget Amount	9.Original and final approved budget and comparison of actual and budget amount
10. External assistance Payment by other Governance Units and third Parties	10.External assistance

Risk

1.1.1.3 Unsystematic presentation of notes to the financial statements may impair fair presentation, full disclosure and decision making of the users of the financial statements.

Recommendation

1.1.1.4 Management should ensure full and systematic disclosure in the notes to the financial statements as required by the standard.

1.1.1.5 Financial statements prepared by a junior staff should be reviewed and approved by a senior staff with the relevant qualification experience and authority.

Management's Response

1.1.1.6 *The "Unsystematic Presentation" of notes is not the making of the Commission. The MFDP provides template/format to ministries, agencies and commissions (MACs) every fiscal period for reporting purposes and MACs are obliged to use the approved template/format developed by MFDP. Additionally, all of the notes are not applicable to every entity.*

Auditor General's Position

1.1.1.7 Management's assertion did not adequately address the issue raised. Paragraph 1.5.1 (b) of the Cash Basis IPSAS as adopted by the Government of Liberia in 2009 requires the notes to the financial statements of an entity to provide additional information which is not presented on the face of the financial statements but is necessary for a fair presentation of the entity's cash receipts, cash payments and cash balances. Notes to the financial statements should be presented in a systematic manner.

1.1.1.8 Further, Regulations A.3 (1) of the PFM Act of 2009 states that "Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of 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". Therefore, the preparation of adequate financial statements is the responsibility of Management and not the MFDP. We therefore maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.1.2 Unauthorized Bank Signatories

Observation

1.1.2.1 Page 26, Paragraph 6, of the Financial Management Policies and procedures Manual of March 2013 states "All GC checks will require two signatures. There will be two groups of signatories and any member of a group may sign for that group. One member from each group must sign each check. The first group will consist of the chairman of the Governance Commission and the Executive Director, the second group will consist of the Finance Manager and the Finance Officer. Under no circumstances will the cashier be granted signatory authority".

1.1.2.2 During the audit, we observed that transactions amounting to US$1,250.00 and L$1,001,219.61 was expended for various goods and services without the required authorized signatories. **See Annexures 1 for details.**

Risk

1.1.2.3 Unauthorized signatories for transactions may facilitate unauthorized access to the entity's funds and other fraudulent financial practices.

Recommendation

1.1.2.4 Management should provide substantives justification for facilitating unauthorized signatures for approval of expenditure.

1.1.2.5 Management should request their bankers to provide authorized signatories for all its accounts, review the legitimacy of each signatory consistent with policy and adjust the signatories accordingly.

1.1.2.6 Going forward Management should ensure that all check payments are approved by the relevant authorities.

Management's Response

1.1.2.7 *Catherine Harris Karmo was an authorized signatory. Additionally, section A9(3) of the PFM Regulations provides "Heads of government agencies shall formally, and in writing transmit authentic signatures of all authorized officers under their supervision to the Minister at the beginning of each fiscal year or at any other time, during the year, when there is change in authorized personnel. If a public officer no longer occupies a public office, his signature specimen should be nullified and a communication of the nullification sent to the Minister within 24 hours". This indicates that the signing of the signature card by the Chairman and other signatory to the accounts automatically made her an authorized and legitimate signatory. Therefore, all expenditures processed under the signatory of Mrs. Karmo were authorized.*

Auditor General's Position

1.1.2.8 Management's assertion did not adequately address the issue raised. Page 26, Paragraph 6, of the Financial Management Policies and procedures Manual of March 2013 states "All GC checks will require two signatures. There will be two groups of signatories and any member of a group may sign for that group. One member from each group must sign each check. The first group will consist of the Chairman of the Governance Commission and the Executive Director, the second group will consist of the Finance Manager and the Finance Officer." However, the transactions identified in annexure 4 were approved by members of the board of commissioners' contrary to the regulations quoted above. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendation during subsequent audit.

1.1.3 Non-Performance of Bank Reconciliation Statements

Observation

1.1.3.1 Regulation R.3 (6) of the Amended and Restated PFM Act of 2009 states that, "The Balance of every bank account as shown in a bank statement shall be reconciled with the corresponding cashbook balance at least once every month; and the reconciliation statement shall be filed or recorded in the cash book or the reference to the date and number thereof."

1.1.3.2 During the audit, we observed that the bank reconciliation statements for Guaranty Trust Bank (GTB) account No. 203304887210, 203304887212, 203313561211, 203304887110, 203313561110, 203313561210, 203304887112, were not prepared for several months. **See table 2 and Annexures 2 for details:**

Table 2, Non- Performance of Bank Reconciliation Statements

Bank Name	Account No.	Total Amount	Amount Provided	Outstanding
GT Bank	203304887210	12	1	11
GT Bank	203304887212	12	1	11
GT Bank	203313561211	12	0	12
GT Bank	203304887110	12	1	11
GT Bank	203313561110	12	0	12
GT Bank	203313561210	12	1	11
GT Bank	203304887112	12	1	11
TOTAL		**84**	**5**	**79**

Risk

1.1.3.3 Failure to adequately prepare bank reconciliations may lead to untimely detection of errors or omissions, and fraud. Management may not be able to fully account for its transactions.

Recommendation

1.1.3.4 Management should ensure that monthly bank reconciliation reports are prepared for each operational and designated account established by the entity.

1.1.3.5 Monthly bank reconciliation statements should be prepared and approved by staff with the relevant qualification, experience and seniority.

1.1.3.6 Monthly bank reconciliation report should be adequately documented and filed to facilitate future review.

Management's Response

1.1.3.7 *The bank reconciliations for the months reported will be provided.*

Auditor General's Position

1.1.3.8 Management assertion was not supported by documentary evidence. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.1.4 Non- Remittance of Social Security Contributions

Observation

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

1.1.4.2 During the audit, we observed that the Management of GC disbursed US$3.041.08 as employees' contributions to NASSCORP without evidence of receipts from NASSCOR. **See table 3 for details:**

Table 3: Non- Remittance of Social Security Contributions

Date	Payee	Amount US$
10/30/2020	National Social security & Welfare Corporation	573.33
05/01/2021	National Social security & Welfare Corporation	947.21
05/01/2021	National Social security & Welfare Corporation	947.21
10/30/2020	National Social security & Welfare Corporation	573.33
TOTAL		**3,041.08**

Risk

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

1.1.4.4 Potential retirees of GC may be denied required pension benefits due to non-compliance with the regulation.

1.1.4.5 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

1.1.4.6 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.

1.1.4.7 Management should facilitate full payment of employee's contributions to NASSCORP on a consistent and timely basis.

1.1.4.8 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.

1.1.4.9 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.

Management's Response

1.1.4.10 *The amount was remitted to NASSCORP as reported. The supporting documents will be provided.*

Auditor General's Position

1.1.4.11 Management assertion was not supported by documentary evidence. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.1.5 Non-remittance of Income and Goods & services Taxes

Observation

1.1.5.1 Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011 states "within 10 days after the last day of the month, payer described in (a) is required to remit to the tax authorities the total amount required to be withheld during the month", and (m) stipulates "a person who has a withholding obligation under this section and fails to withhold and remit the amount of tax required to be withheld is subject to Section 52 penalty for late payment and failure to pay".

1.1.5.2 During the audit, we observed that Management disbursed the total amount of US$772,106.80 as staff general allowance and US$ US$10,130.33 disbursed to vendors for goods and services without evidence that the taxes were subsequently remitted to the LRA. **See Annexures 3 for details.**

Risk

1.1.5.3 Failure to remit taxes withheld, may deny GoL of much needed tax revenue.

1.1.5.4 Management may be in noncompliance 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 reference above.

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

Recommendation

1.1.5.6 Management should provide substantive justification for not remitting withholding taxes on staff general allowance as provided for by the Revenue Code of Liberia.

1.1.5.7 Management should adjust the cash book by the total value of the non-remitted withholding taxes and restate the financial statements with the adjusted cash balance.

1.1.5.8 Going forward, Management should facilitate full remittance of withholding taxes to the LRA in keeping with Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011.

1.1.5.9 Evidence of remittance of withholding taxes should be adequately documented and filed to facilitate future review.

Management's Response

1.1.5.10 *Withholding taxes on compensation are deducted by MFDP. The Commission received net checks for salary. So, it is factually impossible for the Commission to have remitted money that was already deducted by MFDP. Supporting documents for the remittance of withholding taxes on goods and service will be made available.*

Auditor General's Position

1.1.5.11 Management's assertion did not adequately address the issues raised. Management should request and retain copies of withholding taxes remitted to the LRA by MFDP on behalf of the entity to facilitate full compliance with the law. Therefore, we maintain our finding and recommendations. We will follow-up on the implementation of our recommendation during subsequent audit.

1.1.6 Payments without Supporting Documentation

Observation

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

1.1.6.2 During the audit, we observed that Management made payments amounting to L$10,357.18 and US$19,377.29 without evidence of supporting documents such as payment vouchers and invoices to validate the transactions. **See Annexure 4 for details.**

Risk

1.1.6.3 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

1.1.6.4 The absence of adequate supporting documentation for transactions may also lead to fraudulent financial management practices, through the processing and disbursement of illegitimate transactions.

1.1.6.5 Management may override the procurement processes by completing disbursement without utilizing the required procurement processes.

Recommendation

1.1.6.6 Management should fully account for the expenditure made without adequate supporting documents.

1.1.6.7 Management should ensure that 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 documents should be adequately documented and filed to facilitate future review.

Management's Response

1.1.6.8 *There are supporting documents for all of the transactions listed in Annexure 4 which will be provided. Vouchers, deposit slips, bank statements are all available in support of those transactions.*

Auditor General's Position

1.1.6.9 Management's assertion was not supported by documentary evidence. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.1.7 Reimbursements Without Supporting Documentation

Observation

1.1.7.1 P Regulations.15(2) of the Amended and Restated PFM Act of 2009 states " Unless a budgetary agency has adopted a computerized online system of payment, a head of government agency shall for the purposes of payments , submit payment vouchers to the Treasury or accounts office thereof completed in triplicate, two copies being sent with the vouchers to the Treasury or accounts office and supported by the following supporting documents: original approved Local Purchase Order, original copy of the contract where applicable, three copies of supplier's invoices, original signed copy of the procurement proceedings of the tender committee, original copy of the goods received note."

1.1.7.2 Further, Regulations P.9 (1-2) of the Amended and Restated PFM Act of 2009 states, "(1) All disbursements or payments of public moneys shall be properly supported by pre-numbered payment vouchers. (2) Payments except for statutory transfers and debt service shall be supported by invoices, bills and other documents in addition to the payment vouchers."

1.1.7.3 During the audit, we observed that Management made several payments amounting to US$2,680.00 and L$ 64,400.00 representing reimbursements to the Commissioners without adequate supporting documentation. **See table 4 for details.**

Table 4: Reimbursements Without Supporting Documentation

Date	Num	Name	Memo	Split	Amount L$	Amount US$
11/16/2020	221	George Howe	reimbursement for the repair of the air conditioner in	3211031 · Governance Commission	-	140.00

Date	Num	Name	Memo	Split	Amount L$	Amount US$
			commissioner Howe's office	US$		
11/26/2020	300295373	Mamai Roberts	Reimbursement for fund used to repair GC's assigned vehicle to the Mrs. Roberts	3211031 · Governance Commission US$-	-	200.00
11/16/2020	63	George Howe	reimbursement for the repair of the air conditioner in commissioner Howe's office	415101U · Trade Creditors USD	-	140.00
11/3/2020	214	Elizabeth W. Dorkin	payment to commissioner Dorkin for her vehicle maintenance		-	1,000.00
11/3/2020	215	George Howe	Payment made to Commissioner Howe for maintenance of his vehicle		-	1,000.00
12/21/2020	45	Michael Baysah	Purchasing of Separate circuit breaker		64,400.00	-
11/26/2020	66	Mamai Roberts	Reimbursement for fund used to repair GC's assigned vehicle to the Mrs. Roberts	415101U · Trade Creditors USD	-	200.00
TOTAL					**64,400.00**	**2,680.00**

Risk

1.1.7.4 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.

1.1.7.5 The absence of adequate supporting documentation for transactions may also lead to fraudulent financial management practices, through the processing and disbursement of illegitimate transactions.

Recommendation

1.1.7.6 Management should fully account for the expenditure made without adequate supporting documents.

1.1.7.7 Management should ensure that 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 documents should be adequately documented and filed to facilitate future review.

Management's Response

1.1.7.8 *The supporting documentation will be provided.*

Auditor General's Position

1.1.7.9 Management's assertion was not supported by documentary evidence. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.1.8 No Police for fuel Consumption

Observation

1.1.8.1 Paragraph 17 of the Internal Integrated Framework, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) indicates that in most cases, the board of head of public entity is ultimately responsible for determining whether management has implemented effective internal control including monitoring. The institution makes this assessment by (a) understanding the risks the organization faces and (b) Gaining an understanding of how senior management mages or mitigates those risk that are meaningful to the organization objectives. Obtaining this understanding includes determining how management supports its beliefs about the effectiveness of the internal control system in those areas.

1.1.8.2 During the audit, we observed that Management of GC procured and utilized fuel amounting US$ 2,284.55 without a distribution log. **See table 5 for details.**

1.1.8.3 Additionally, there was no evidence that the Management of GC had an approved policy on fuel distribution.

Table 5: No Police for fuel Consumption

Date	Num	Name	Memo	Split	Amount
03/23/2021	0243	Super Petroleum Co	cost of generator fuel	3211031 · Governance Commission US$	90.75
04/07/2021	00244	Super Petroleum Co	cost of utility fuel	3211031 · Governance Commission US$	54.45
05/19/2021	00246	Super Petroleum Co	fuel & gasoline supplies for the commissioners	3211031 · Governance Commission US$	989.85
06/01/2021	00247	Super Petroleum Co	Purchase of fuel for the use of vehicles	3211031 · Governance Commission US$	1,009.50
11/12/2020	062	Super Petroleum Co	cost of furl for utility	415101U · Trade Creditors USD	140.00
TOTAL					**2,284.55**

Risk

1.1.8.4 Fuel procured may not be based on actual consumption.

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

Recommendation

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

1.1.8.7 Management should maintain a fuel consumption and distribution log to aid the entity manage cost and inform future purchase. These documents should be adequately filed to facilitate future review.

Management's Response

1.1.8.8 *The fuel distribution log will be provided for verification along with the policies and procedure*

Auditor General's Position

1.1.8.9 Management's assertion was not supported by documentary evidence. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.2 Compliance Issues

1.2.1 Goods & Services not included in Procurement Plan

Observation

1.2.1.1 Section 40 (1) of the Public Procurement Act requires Procuring Entities to plan their procurements. A procurement plan helps Procuring Entities to achieve maximum value for expenditures and enables them to identify and address all relevant issues pertaining to a particular procurement before they publicize their procurement notices to potential suppliers of goods, works and services. Adequate procurement planning results in good budget performance because the plan will set the basis for the expenditure of the budget. The whole procurement process begins therefore with adequate planning.

1.2.1.2 During the audit, we observed that Management procured several goods and services amounting to L$127,200.00 and US$ 2,928.54 which were not included in the approved procurement plan. **See detailed in the table 6 below**:

Table 6: Goods & Services not included in Procurement Plan

Date	Num	Name	Memo	Amount L$	Amount US$
12/11/2020	400	Lion Stationary Store	purchase of two laptop computers	-	1,050.00
1/6/2021	414	Marconi & Company LRD	purchase of electrical materials	-	218.54
11/12/2020	218	Actos Company	purchase of 5 KVA generator,		1,210.00

Date	Num	Name	Memo	Amount L$	Amount US$
			single wire #8 AWG, generator plug and electrical tape	-	
3/22/2021	242	T. Samuel Mcgill	GC's contribution towards the internment of its staff in person of Mr. Richards Troh	-	200
12/9/2020	41	GC's Internal Security	Payment made to GC's internal security for September 2020	-	250
12/07/2020	40	Technical Cooling System	Cost of Two 12,000 BTU air Conditioner	127,200.00	-
TOTAL				**127,200.00**	**2,928.54**

Risk

1.2.1.3 Management may be non-compliant with the PPCC Act of 2010 and value for money may not be achieved.

1.2.1.4 Processing expenditure not included in the procurement plan may lead to the disbursement of discretionary expenditures thereby leading to misapplication of public funds.

Recommendation

1.2.1.5 Management should ensure that all transactions are included in the annual procurement plan and subsequently approved by the procurement committee and the PPCC.

1.2.1.6 All unplanned procurement activities should be subsequently submitted to PPCC for approval before execution.

Management's Response

1.2.1.7 *Management did not respond to this finding.*

Auditor General's Position

1.2.1.8 In the absence of a response by Management, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.2.2 Irregularities Associated with Fixed Asset Management

1.2.2.1 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."

1.2.2.2 During the audit, we observed the following irregularities associated with the fixed assets management system of the entity:

- No fixed asset policy,
- The Fixed Assets Register was not updated,
- The fixed assets register did not contain all the relevant columns,
- There was no evidence of movement of assets form,
- Several of the entity's fixed assets were not coded,
- There was no evidence of periodic physical verification of fixed assets
- Fixed assets within a given vicinity were not displayed as required by the PFM Act.

Risk

1.2.2.3 Fixed Assets Register may be misstated (Over/understated).

1.2.2.4 Assets may be damaged or impaired, but their values are still on the books.

1.2.2.5 Fixed assets may be removed from the entity's premises without authorization, misappropriated, subjected to personal use or theft.

1.2.2.6 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.

1.2.2.7 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 objectives.

1.2.2.8 Fixed Assets not coded may be susceptible to theft or diverted to personal use.

Recommendation

1.2.2.9 Management should ensure that all assets value is recorded and maintained in the register.

1.2.2.10 Management should ensure that the fixed assets register is updated to reflect the following; description, source of purchase, date of purchase, class, code, assignee, location, condition, original cost, depreciation expense, accumulated depreciation and net book value of the asset.

1.2.2.11 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.

1.2.2.12 The Fixed Assets Register should be updated periodically to reflect all the entity's assets.

1.2.2.13 Fixed assets within a particular vicinity should be clearly displayed as required by the PFM Act.

1.2.2.14 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.

1.2.2.15 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 asset.

Management's Response

1.2.2.16 *Management did not respond to this finding.*

Auditor General's Position

1.2.2.17 In the absence of a response by Management, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.2.3 Personnel Management-Non-compliance with Recruitment Policy

Observation

1.2.3.1 Section 2.0 Paragraph 3, of the Governance Commission Recruitment and Selection Policy states that "Recruitment begins with a request from the hiring manager (Office requesting staff) for approval to recruit for the role- this ensures the role is in line with the strategic direction".

1.2.3.2 Section 1.0 Page 2 Para. 4, of the Governance Commission Recruitment and Selection Policy states that "the Commission adheres to all labor laws and employment conditions and standards prescribed by the Laws of Liberia and this policy manual shall, therefore, operate subject to the provision of the laws of Liberia, the GC's Employee handbook and the Standing Orders for the Civil Service".

1.2.3.3 During the audit, we observed that Management recruited several employees without adherence to its recruitment policy and procedure guidelines. **See table 7 for details.**

Table 7: Personnel Management-Non-compliance with Recruitment Policy

No.	Name of staff	Position of staff	Initial Assigned Office	date of employment
1	Habie Dialloh	Administrative Assistant/ED	Administration	1-Sep-20
2	Philip Toe	Policy Analyst II	Monitor & Evaluation	19-Apr-21
3	Emmette Sackor	Cauffeur	Administration	1-Sep-20
4	Abraham saytue	Cauffeur	Administration	1-Sep-20
5	Dickson T. Yarsiah	Reseach Officer	Civil Engagement	2-Nov-20
6	Hnanne Kopeh	Reseach Officer	Civil Engagement	1-Sep-20
7	Eric Dweh	Security Guard	Administration	1-Sep-20
8	Robert B. Stephen	Security Guard	Administration	1-Sep-20
9	Jimmy D. Wilson	Security Guard	Administration	1-Sep-20
10	Jacob Quayee	Data Collector	Monitor & Evaluation	4-Jan-20
11	Zephanue B. Dukuly	Data Collector	Monitor & Evaluation	4-Jan-20
12	Patience Tarpeh	Data Collector	Monitor & Evaluation	4-Jan-20

No.	Name of staff	Position of staff	Initial Assigned Office	date of employment
13	Amos Dugbe	Data Collector	Monitor & Evaluation	4-Jan-20
14	Emmanuel Sackie	Data Collector	Monitor & Evaluation	1-Sep-20
15	David Siafa	Security Guard	Administration	1-Sep-20
16	Roseline Gbagalo	Data Collector	Monitor & Evaluation	4-Jan-20
17	Raham D. Doe	Data Collector	Monitor & Evaluation	4-Jan-20
18	Hawa S. Sesay	Data Collector	Monitor & Evaluation	4-Jan-20
19	Alice Meah	Data Collector	Monitor & Evaluation	4-Jan-20
20	Jacob Quayee	Data Collector	Monitor & Evaluation	4-Jan-20
21	sara Fahnbulleh	Data Collector	Monitor & Evaluation	4-Jan-20
22	Patience Coker	Data Collector	Monitor & Evaluation	4-Jan-20
23	John Wesseh	Data Collector	Monitor & Evaluation	4-Jan-20
24	Melvin Nuah	Data Collector	Monitor & Evaluation	4-Jan-20
25	Wilmot Kotati Babbroh	Data Collector	Monitor & Evaluation	4-Jan-20
26	Nillie Harmon	Data Collector	Monitor & Evaluation	4-Jan-20
27	Mohammed K. Kanneh	Security Manager	Administration	1-Mar-21
28	Delphine S. Jones	Reseach officer	Civil Engagement	1-Sep-20
29	cecelia Geely	warehouse assistant	Administration	1-Sep-20

Risk

1.2.3.4 Management may recruit staffs that do not meet the required qualification and experience to contribute to the overall objectives of the entity.

Recommendation

1.2.3.5 Management should facilitate competitive recruitment process during the hiring of all staff.

1.2.3.6 Management should ensure that all employees' files contain the relevant supporting document indicative of proper vetting (application letters, employment letters, police clearances and medical certificates) in line with the employment policy of the entity. Evidence of all employment records should be adequately documented and filed to facilitate future review.

Management's Response

1.2.3.7 *Management did not respond to this finding.*

Auditor General's Position

1.2.3.8 In the absence of a response by Management, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.2.4 Employees on the Payroll but not on Personnel List

Observation

1.2.4.1 Regulations T.3 of the Amended and Restated PFM Act of 2009 states that (1)" The head of every Management Unit shall keep records of all Personnel Emolument of staff employed in his management unit, to ensure that: (a) payments are made as and when due; (b) overpayments are not made; (c) all required deductions are made at the correct time; (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.

1.2.4.2 During the audit, we observed that the Management of GC maintain four (4) individuals whose names were not on the approved Personnel Listing. **See table 8 for details.**

Table 8: Employees on the Payroll but not on Personnel List

No	Name	Position
1.	Parker Johnson	Communication Director
2.	Tarlice T. Walawulu	Reseach Officer
3.	Burnice Boateng	Reseach Officer
4.	Paul N. Nyeneh	Janitor

Risk

1.2.4.3 Illegitimate individuals (Ghosts employees) may be included on the payroll.

1.2.4.4 Payments may be made for work not performed.

1.2.4.5 Personnel expenditure and subsequently the financial statements may be misstated.

Recommendation

1.2.4.6 Management should reconcile the payroll journals to the personnel listing on a monthly basis. Difference(s) identified should be documented, investigated and where applicable adjusted in a timely manner.

1.2.4.7 Management should ensure that payroll vouchers are review on a monthly basis by senior management and the monitoring arm of management (Management Internal Controls Department) to mitigate errors and/or irregularities.

1.2.4.8 Management should ensure that Personnel records and the payroll are updated to contain all employees in the entity to enable Administration regulate the activities of its personnel effectively.

Management's Response

1.2.4.9 *Management did not respond to this finding.*

Auditor General's Position

1.2.4.10 In the absence of a response by Management, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.2.5 Inadequate Records in Personnel Files

Observation

1.2.5.1 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) All subsequent warnings or commendation; and
g) Annual appraisal forms and related evaluation forms

1.2.5.2 During the audit, we observed that Management did not maintain essential personnel records such as; Birth certificate, Medical Examination Certificates, Police Clearance, and Recommendations.

1.2.5.3 Further, it was observed that ten (10) staffer personnel file did not contain Contract, three (3) staffs no Letter of application on their personnel file, fifteen (15) staffer file contain no contract signed by both parties and seven (7) other staffers personnel file did not contain CVs. **See table 9 for details.**

Table 9- Inadequate Records in Personnel Files

No Contract on File		
No.	**Name**	**Position**
1	Emmanuel Rannie	Financi officier II
2	Felicity K. Smith	Account Assistant
3	Edith Deline	Admini Assistant/ED office
4	Hawa Howard-Willis	Admini Assistant/PSR
5	Jonathan Sarlie	Research Assistant II
6	Tenneh Suah	Research Assistant II
7	Alex Sonnie	Chauffeur
8	Emmanuel T. Davis	Chauffeur
9	Moana S. Smith	Policy Analyst I
10	Janice Pratt	Policy Analyst II
No Letter of Application on file		
No.	**Name**	**Position**
1	Tenneh Suah	Research Assistant II
2	Augustine Sherman	Chauffeur

No Contract on File		
No.	**Name**	**Position**
3	Janice Pratt	Policy Analyst II
No CVs on file		
No.	**Name**	**Position**
1	Hawa Howard-Willis	Admini Assistant/PSR
2	Tenneh Suah	Research Assistant II
3	Roosevelt K. Sackor	Chauffeur
4	Alex Sonnie	Chauffeur
5	Augustine Sherman	Chauffeur
6	Moana S. Smith	Policy Analyst I
7	Janice Pratt	Policy Analyst II
No Contract was awarded and signed by both parties		
No.	**Name**	**Position**
1	Emmanuel Rannie	Finance Officer II
2	Felicity K. Smith	Account Assistant
3	Edith Deline	Admini Assistant/ED office
4	Hawa Howard-Willis	Admini Assistant/PSR
5	Jonathan Sarlie	Research Assistant II
6	Tenneh Suah	Research Assistant II
7	Varney Karmokai	IT Assistant
8	Joe S. M. Howard	Warehouse managenent Asst
9	Roosevelt K. Sackor	Chauffeur
10	Alex Sonnie	Chauffeur
11	J. Boima Porte	Chauffeur
12	Vian Gray	Chauffeur
13	Emmanuel T. Davis	Chauffeur
14	John Tilo	Janitor
15	Beautrice Fofana	Janitor

Risk

1.2.5.4 Failure to maintain essential personnel records may lead to Management inability to manage or regulate the activities of its personnel effectively.

1.2.5.5 Management may recruit employee who may not have the relevant qualification and experience.

1.2.5.6 Illegitimate individuals (Ghosts employees) may be included on the payroll.

Recommendation

1.2.5.7 Management should ensure that all employees' files are updated to contain essential documents such as letter of applications, letter of employment, contracts, credentials, Personnel Action Notice (PAN), etc. to enable Administration regulate the activities of its personnel effectively.

1.2.5.8 Going forward, Management should perform periodic review of personnel files for all employees. Gaps identified should be regularized in a timely manner.

Management's Response

1.2.5.9 *Management did not respond to this finding.*

Auditor General's Position

1.2.5.10 In the absence of a response by Management, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.2.6 Employees' unapproved absences

Observation

1.2.6.1 Regulation T.5 of the Amended and Restated PFM Act of 2009 states that "A Head of government agency shall cause the immediate stoppage of payment of salary to a public servant when that public servant has:

- been absent from duty without permission or reasonable cause for a period as stipulated in the administrative regulations of the establishment; been absent from duty on leave without pay;
- been convicted of an offence involving theft or fraud, or a sentence of imprisonment;
- resigned;
- retired; or
- died.

1.2.6.2 Also, Section 12.2 of the Governance Commission Employees Handbook Adopted April 24, 2014 states "As a means of making sure that there is a full complement of employees to conduct its business, it is anticipated that all employees report to work on time as scheduled. Notwithstanding, both anticipated and inexcusable lateness, and or absence will occur occasionally. In case of unanticipated lateness, or absence, the employee should communicate with his/her supervisor and the HR within the first hour of the work day. When the absence or lateness is anticipated, an advance notice must be given. Three unexcused lateness, equal one day absent. Three unexcused days absent is case for disciplinary action and including salary deduction or discharge. Accumulated excuse days absent will be deducted from employee annual leave days".

1.2.6.3 During the audit, we observed that there was no evidence of formal excuses from some employees for being absent from work nor was there evidence of reprimand from Management for failing to report to work. **See table 10 for details.**

Table 10: Employees' unapproved absences

Month/Year	Names	Num. of Days Absent	Num. of days not sign out
Feb. 2020	Mamuna M. Kamara	Six (6) Days Absent	Tow(2) days
Feb. 2020	Francis Kollie		Eleven (11) days

Month/Year	Names	Num. of Days Absent	Num. of days not sign out
Feb. 2020	Alex Sonnie	Eight (8) day absents	
Feb. 2020	Bernice Boateng		Seven (7) days
Feb. 2020	Bornor M. Varmah	Eighteen (18) days absents	
Feb. 2020	Mattew B. Kollie	Fighteen (15) days absents	
August 2021	Danroy J. Dixon	Seven (7) days absents	
August 2021	Melvin Nuah	Eight (8) day absents	
August 2021	John W. Wesseh	Eight (8) day absents	
August 2021	Jocob M. Q. Woryee	Seven (7) days absents	
Dec 2020	Janice Pratt	Eight (8) day absents	
Dec 2020	Danroy J. Dixon	Eight (8) day absents	
Dec 2020	Vien Gray	six (6) day absents	
Dec 2020	Augustine Sherman	Seven (7) days absents	
Dec 2020	Alex Sonnie	Six (6) Days Absent	
Dec 2020	Emmett H. Sackar	Nine (9) Days Absent	
Dec 2020	Bernice Boateng		Six (6) days
Dec 2020	Bill Q. Togba		Six (6) days
Dec 2020	Francis Kollie		Eight (8) days

Risk

1.2.6.4 Failure to monitor and supervise personnel attendance records may result to compensation of non-deserving employees. This practice may cultivate an inappropriate work culture at the entity and may subsequently affect the operation and performance of the entity.

Recommendation

1.2.6.5 Management should ensure that personnel attendance records are regularly monitored by a designated staff and that employees should be reprimanded in line with the entity's employees' handbook for failing to report to work.

1.2.6.6 Management should perform periodic spot check of personnel attendance records to ascertain the effectiveness of the control.

1.2.6.7 Evidence of daily attendance records, periodic spot checks and actions taken for unauthorized absences should be adequately documented and filed to facilitate future review.

Management's Response

1.2.6.8 *Management did not respond to this finding.*

Auditor General's Position

1.2.6.9 In the absence of a response by Management, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.2.7 Non-Preparation of Quarterly Reports

Observation

1.2.7.1 Part IX, 9.3 An Act of the Legislature to establish the GC Approved October 9, 2007, States, "Notwithstanding Article 1, above, the Commission shall report quarterly to the President on progress made in the pursuance of its mandates".

1.2.7.2 During the audit, we observed no evidence that Management prepared quarterly reports as required by the GC Act.

Risk

1.2.7.3 In the absence of Quarterly Report, the performance of the Commission may not be reliably measured in the pursuance of its mandates.

Recommendation

1.2.7.4 Management should ensure timely preparation of Quarterly Reports in line with the GC Act. Evidence of quarterly reports should be adequately documented and filed to facilitate future review.

Management's Response

1.2.7.5 *Quarterly reports were prepared and will be submitted.*

Auditor General's Position

1.2.7.6 Management's assertion was not supported by documentary evidence. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.2.8 No Evidence of Budget Committee

Observation

1.2.8.1 Regulation D.16.1 of the Amended and Restated PFM Act of 2009 states "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)".

1.2.8.2 During the audit, we observed that the Management operated without evidence of an established budget committee as required by the Amended and Restated PFM Act of 2009.

Risk

1.2.8.3 In the absence of an established budget committee, management may experience delay during the preparation of the institution's budget formulation, implementation, and monitoring.

Recommendation

1.2.8.4 Management should establish a Budget Committee responsible for budget formulation, implementation and the monitoring of the entity's activities. This would ensure management's compliance with Section D.16.1 (a) and (b), of the PFM Regulations of 2009.

1.2.8.5 The Budget Committee should be made functional evidence by the documentation of meeting minutes and periodic reports.

Management's Response

1.2.8.6 *Evidence will be provided to show the establishment of the Budget Committee*

Auditor General's Position

1.2.8.7 Management's assertion was not supported by documentary evidence. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.3 Governance Issues

1.3.1 Audit Committee

Observation

1.3.1.1 Section 1(K.10) of the Public Financial Management Regulations of 2009 states "A 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."

1.3.1.2 During the audit, we observed no evidence of an audit committee established at the GC.

Risk

1.3.1.3 Management failure to establish a functional audit committee may prevent Management from taking timely corrective action on deficiencies identified by the Internal Audit Unit and the recommendations of the General Auditing Commission.

Recommendation

1.3.1.4 Management should establish a functional audit committee as part of the Governance structure of the entity. This will enable Management to evaluate and ensure that internal controls are operating effectively and the recommendations of internal and external auditors are implemented.

1.3.1.5 Management should ensure that the audit committee is made fully functional evidence by the documentation of meeting minutes and periodic reports.

Management's Response

1.3.1.6 *Evidence will be provided to show the establishment of an Audit Committee*

Auditor General's Position

1.3.1.7 Management's assertion was not supported by documentary evidence. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.3.2 IT Strategic Plan

Observation

1.3.2.1 Control Objectives for Information and Related Technologies (COBIT) 5-APO02 requires an entity to create a strategic plan that defines, in co-operation with relevant stakeholders, how IT- related goals will contribute to the enterprise's strategic goals. Include how IT will support IT- enabled investment programs, business processes, IT services and IT assets. Direct IT to define the initiatives that will be required to close the gaps, the sourcing strategy, and the measurements to be used to monitor achievement of goals, then prioritize the initiatives and combine them in a high-level road map.

1.3.2.2 During the audit, we observed that Management has not developed an IT Strategic Plan.

Risk

1.3.2.3 The absence of an IT Strategic Plan may result in the acquisition and use of unsuitable ICT equipment and services.

1.3.2.4 Management may be unable to identify ICT gaps associated with the systems.

Recommendation

1.3.2.5 Management should develop approve and operationalize an IT Strategic Plan to support investment programs, business processes, IT services and IT assets.

1.3.2.6 Evidence of approved IT Strategic Plan should be adequately documented and filed to facilitate future review.

Management's Response

1.3.2.7 *Management did not respond to this finding.*

Auditor General's Position

1.3.2.8 In the absence of a response by Management, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.3.3 IT Security Policy

Observation

1.3.3.1 In terms of COBIT 4.1 DS5 in ensuring System Security an organization need to maintain the integrity of information and protect IT assets requires a security management process. This process includes establishing and maintaining IT security roles and responsibilities, policies, standards, and procedures. Security management also includes performing security monitoring and periodic testing and implementing corrective actions for identified security weaknesses or incidents. Effective security management protects all IT assets to minimize the business impact of security vulnerabilities and incidents.

1.3.3.2 Furthermore, A.14 of the PFM Regulations, all Public Sector computerized electronic records and systems shall be consistent with an approved integrated financial management automated system consistent with the (IT) Security Policy issued by the Management. The IT Security Policy defines that each user of a computerized accounting, records, inventories, assets, human resource management, payroll or any similar system must be given a user identification number (User ID) and a password or personal identification number (PIN) by the system administrator.

1.3.3.3 During the audit, we observed no evidence of an approved IT security policy. It was established that Management had a draft or unapproved IT security policy.

Risk

1.3.3.4 The lack of an approved IT security policy may impair the achievement of the entity business and ICT objectives.

Recommendation

1.3.3.5 Management should approve and operationalize the Draft ICT security policy to mitigate ICT security related risks to enhance the organization objectives.

1.3.3.6 Evidence of approved ICT Security Policy should be adequately documented and filed to facilitate future review.

Management's Response

1.3.3.7 *Management did not respond to this finding.*

Auditor General's Position

1.3.3.8 In the absence of a response by Management, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.3.4 Threat to Business Continuity

Observation

1.3.4.1 Dss04.02 of COBIT 5 - maintain a continuity strategy, evaluate business continuity management options and choose a cost-effective and viable continuity strategy that will ensure enterprise recovery and continuity in the face of a disaster or other major incident or disruption. Business continuity management proactively improves the enterprise's resilience against operational disruptions and provides the capacity to adequately react to threats.

1.3.4.2 During the audit our assessment performed on the readiness of Management in case of a disruption revealed the following exceptions;

1. No evidence of a Business Continuity Plan (BCP)
2. No evidence of a Disaster Recovery Plan or Site
3. No evidence of a Network redundancy

1.3.4.3 Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) - are sets of activities that result in the ongoing preparedness for disaster that continually adapts to changes in business conditions for improvement. It describes the requirement to restore critical systems and other critical assets, whether in alternate or primary locations.

1.3.4.4 Disaster Recovery Plan or Site - is a location where an organization can relocate following a disaster for all critical information and information assets.

1.3.4.5 Network redundancy - is a process through which additional or alternate instances of network devices, equipment and communication mediums are installed within a network infrastructure. It is a method for ensuring network availability in case of a network device or path failure and unavailability. As such, it provides a means of a network failover.

Risk

1.3.4.6 Failure to develop an approved business continuity plan, disaster recovery plan and network redundancy may result in loss of transactions data in situations where the impact of a disruption on critical business functions occurs.

1.3.4.7 Additionally, the lack of an offsite backup facility may lead to loss of service to users, loss of credibility, incomplete and inaccurate records in the event of a disaster.

Recommendations

1.3.4.8 Management should develop, approve and operationalize an IT continuity plan, disaster recovery plan and network redundancy as part of their risk mitigation strategy. This may minimize the impact of disruptions on critical business functions and the recovery capability of all services.

1.3.4.9 Additionally, Management should obtain an offsite secure location backup facility to provide disaster recovery protection that will safeguard the business and its resources from future disasters.

Management's Response

1.3.4.10 *Management did not respond to this finding.*

Auditor General's Position

1.3.4.11 In the absence of a response by Management, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

ANNEXURES

Annexures 1: Unauthorized Signatories

No.	Date	CK No.	PV NO	Name of Unauthorized Signatory	Position	Payee	Amount US$	Amount L$
1	11-Dec-20	400102850	42	Catherine H. Karmo	Director Project	Lion Stationery Store	-	168,262.50
2	21-Dec-20	400106561	45	Catherine H. Karmo	Director Project	Michael Baysah	-	64,400.00
3	14-Dec-20	400106560	43	Catherine H. Karmo	Director Project	Sham N. Thompson	-	32,080.00
4	22-Dec-20	400106563	47	Catherine H. Karmo	Director Project	Dennis H. Yollah Business Center Inc	-	27,207.00
5	10-Jun-21	400106570	61	Catherine H. Karmo	Director Project	Sham N. Thompson	-	34,144.00
6	16-Jun-21	400106573	62	Catherine H. Karmo	Director Project	Africa Motors services Center	-	178,013.15
7	1-Dec-20	400102846	37	Catherine H. Karmo	Director Project	Benjah Security Guard Services Inc.	-	242,712.96
8	7-Dec-20	400102849	40	Catherine H. Karmo	Director Project	Technical Cooling System	-	127,200.00
9	14-Jun-21	300295401	98	Catherine H. Karmo	Director Project	HAK Technology	1,250.00	127,200.00
TOTAL							**1,250.00**	**1,001,219.61**

Annexure 2: Non-Performance of Bank Reconciliation Statements

Account details			Months											
Bank Name	**Account No.**	**Currency**	**July**	**August**	**september**	**October**	**November**	**December**	**January**	**February**	**march**	**April**	**May**	**June**
GT Bank	2033048872 10	USD	July 2020	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
GT Bank	2033048872 12	USD	July-2020	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
GT	20331	USD	Not	Not	Not	Not	Not	Not	Not	Not	Not	Not	Not	Not

Account details			**Months**											
Bank Name	**Account No.**	**Currency**	**July**	**August**	**september**	**October**	**November**	**December**	**January**	**February**	**march**	**April**	**May**	**June**
Bank	3561211		available	available	available	available	available	available	available	available	available	available	available	available
GT Bank	203304887110	LRD	July-2020	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
GT Bank	203313561110	LRD	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
GT Bank	203313561210	USD	July-2020	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
GT Bank	203304887112	LRD	July-2020	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available

Annexure 3: Non-remittance of Income and Goods & services Taxes					
Non- Remittance of staffer Withholding Taxes:					
Date	**Num**	**Name**	**Memo**	**Amount US$**	**Amount L$**
11/26/2020	395	Sonnie Forkpa L$	July, August, 7 September 2020 basic salary made to the late Alex Flomo's fiancée		326.27
12/2/2020	Transfer	GC Staff L$	November 2020 basic salary	-	13,708.13
4/28/2021	Transfer	GC Staff L$	April 2021 basic salary	-	12,338.72
6/2/2021	Transfer	GC Staff L$	Basic salary for May 2021	-	14,338.58
2/24/2021	Transfer	GC Staff	February 2021 80% US$ basic salary	55,758.67	-
5/12/2021	Transfer	GC Basic salary	April 2021 basic salary	5,474.24	-
5/28/2021	Transfer	Ibrahim Al-bakri Nyei	Basic salary for the month of April 2021	1,338.95	-
6/2/2021	Transfer	GC Basic salary	Basic salary for May 2021	57,354.09	-
7/1/2020	47	GC Staff	cost of basic salary in favor of G.Momolu M. Pewu	500.00	-
7/6/2020	49	GC Basic salary-USD	cost of basic salary for Commissioner Dorkin	400.00	-
7/21/2020	51	GC Basic salary-USD	cost of basic salary for July 2020.	50,194.63	-
9/2/2020	52	GC Staff	August 2020 basic salary	47,677.79	-
9/30/2020	53	GC Staff	September 2020 basic salary	52,168.79	-
11/10/2020	57	GC Staff	October 2020 basic salary	54,239.43	-
11/10/2020	34	GC Staff L$	Basic salary for October 2020	-	13,566.88
11/26/2020	36	Sonnie Forkpa L$	July, August, 7 September 2020 basic salary made to the late Alex Flomo's fiancée	-	326.27
12/2/2020	69	GC Staff	November 2020 basic salary	54,532.56	-

Annexure 3: Non-remittance of Income and Goods & services Taxes					
Non- Remittance of staffer Withholding Taxes:					
Date	**Num**	**Name**	**Memo**	**Amount US$**	**Amount L$**
12/21/2020	73	GC Staff	December 2020 basic salary	55,413.01	-
12/21/2020	44	GC Staff L$	December 2020 basic salary	-	13,869.76
2/24/2021	52	GC Staff L$	February 2021 20% L$ basic salary	-	13,937.69
2/24/2021	80	GC Staff	February 2021 80% US$ basic salary	55,758.67	-
3/31/2021	87	GC Basic salary	March 2021 basic salary	56,150.53	-
3/31/2021	54	GC Staff L$	March 2021 basic salary	-	14,037.64
4/28/2021	89	GC Basic salary	April 2021 basic salary	49,354.90	-
5/12/2021	90	GC Basic salary	April 2021 basic salary	5,474.24	-
5/28/2021	93	Ibrahim Al-bakri Nyei	Basic salary for the month of April 2021	1,338.95	-
5/28/2021	59	Ibrahim Nyei-L$	Basic salary for April 2021	-	334.74
6/2/2021	95	GC Basic salary	Basic salary for May 2021	57,354.09	-
6/2/2021	60	GC Staff L$	Basic salary for May 2021	-	14,338.58
11/3/2020	Transfer	GC Staff	Salary Advance for G. Momolu Pewu	500.00	-
			TOTAL	**660,983.54**	**111,123.26**
Non- Remittance of Vendors Withholding Taxes:					
Date	**Num**	**Name**	**Memo**	**Amount US$**	**Amount L$**
12/1/2020	396	Benjah Security Guard Service INC LRD	July & August 2020 security payment	-	1,399.97
12/7/2020	399	Technical Cooling System	Cost of two 12,000 BTU and brackets	800.00	-
12/11/2020	400	Lion Stationary Store	purchase of two laptop computers	1,050.00	-
12/21/2020	411	Micheal Baysah/LRD	purchase of circuit breaker to ease the overload on the general breaker on the 9th street	-	400.00
12/22/2020	413	Dennis H.Yollah Business Center INC LRD	purchase of painting materials for GC	-	166.00
1/6/2021	414	Marconi & Company LRD	purchase of electrical materials	-	218.54
3/1/2021	417	Technical Cooling System	balance payment made for pinting materials bought due to exchange rate difference	-	51.76
6/16/2021	4.00E+08	Africa Motors	purchase of spares and repairs of the staff bus	400.74	-
11/3/2020	214	Elizabeth W. Dorkin	payment to commissioner Dorkin for her vehicle maintenance	1,000.00	-
4/7/2021	244	Super Petroleum Co	cost of utility fuel	54.45	-
5/19/2021	246	Super Petroleum Co	fuel & gasoline supplies for the commissioners	989.85	-
5/24/2021	245	SP Service Station	fuel supply for the generator	798.60	-
6/1/2021	247	Super Petroleum Co	Purchase of fuel for the use of vehicles	1,009.50	-
6/14/2021	3.00E+08	HAK Technology	Payment for GC's websites hosting and domain renewal	1,250.00	-
6/17/2021	3.00E+08	Sak Souk Shopping Center	purchase of cleaning materials	392.00	-
3/1/2021	82	Ten Graphics Link	Cost of printing staff ID cards	148.92	-

Annexure 3: Non-remittance of Income and Goods & services Taxes					
Non- Remittance of staffer Withholding Taxes:					
Date	**Num**	**Name**	**Memo**	**Amount US$**	**Amount L$**
TOTAL				**7,894.06**	**2,236.27**

Annexure 4: Payment without Supporting Documents

Date	Memo	Split	Amount L$	Amount US$
8/1/2020	Closure of the Liberia Rising Account	513101L · Accumulated Fund/\net worth	-	83.23
1/1/2021	Decimal adjustment for November and December 2020	222109 · Operational Expenses	-	0.18
12/1/2020	Closure of the Liberia Rising Account	513101L · Accumulated Fund/\net worth	-	64.61
6/10/2021	Petty cash replenishment	3211034 · Governance Commission L$	199.47	-
6/22/2021	Purchase of backups and other computer supplies	3211034 · Governance Commission L$	1,295.38	-
7/14/2020	cost of security guards service for the period Mar. Apr, May and June 2020	3211031 · Governance Commission US$	-	4,003.20
11/11/2020	Petty cash replenishment	3211031 · Governance Commission US$	-	200.00
11/12/2020	purchase of 1.5 HP submersible water	3211031 · Governance Commission US$	-	410.00
11/12/2020	cost of cat cables, RJ-45 connectors and clamping tools for the internet	3211031 · Governance Commission US$	-	175.00
11/12/2020	cost of furl for utility	3211031 · Governance Commission US$	-	140.00
11/30/2020	November 2020 bank and related charges	3211031 · Governance Commission US$	-	60.00
12/2/2020	Purchase of fuel to facilitate the travel of Commissioners Dorkin & Howe to Gbarngba to attend t...	3211031 · Governance Commission US$	-	200.00
12/9/2020	Payment made to Robert Stephen, Eric Dweh, Emmanuel Sackie, Jimmy Wilson, & Emmanuel Bryant for ...	3211031 · Governance Commission US$	-	360.00
2/10/2021	To facilitate the travels of the commissioners to attend the launch national agriculture trade f...	3211031 · Governance Commission US$	-	150.00
3/1/2021	Cost of printing staff ID cards	3211031 · Governance Commission US$	-	148.92
6/2/2021	DSA for the commissioners' trip to Lofa on the President County tour	3211031 · Governance Commission US$	-	600.00
6/14/2021	Payment for GC's websites	415101U · Trade Creditors USD	-	

Date	Memo	Split	Amount L$	Amount US$
	hosting and domain renewal			1,250.00
4/7/2021	cost of utility fuel	415101U · Trade Creditors USD	-	54.45
5/19/2021	fuel & gasoline supplies for the commissioners	415101U · Trade Creditors USD	-	989.85
6/1/2021	Purchase of fuel for the use of vehicles	415101U · Trade Creditors USD	-	1,009.50
3/23/2021	cost of generator fuel	415101U · Trade Creditors USD	-	90.75
5/19/2021	fuel supply for the generator	415101U · Trade Creditors USD	-	798.60
11/3/2020	payment to commissioner Dorkin for her vehicle maintenance	415101U · Trade Creditors USD	-	1,000.00
11/3/2020	Payment made to Commissioner Howe for maintenance of his vehicle	415101U · Trade Creditors USD	-	1,000.00
11/12/2020	purchase of 5 KVA generator, single wire #8 AWG, generator plug and electrical tape	415101U · Trade Creditors USD	-	1,210.00
11/16/2020	reimbursement for the repair of the air conditioner in commissioner Howe's office	415101U · Trade Creditors USD	-	140.00
12/21/2020	purchase of circuit breaker to ease the overload on the general breaker on the 9th street	415101L · Trade Creditors LRD	400.00	-
12/22/2020	purchase of painting materials for GC	415101L · Trade Creditors LRD	166.00	-
1/6/2021	purchase of electrical materials	415101L · Trade Creditors LRD	218.54	-
1/6/2021	Marconi & Company	415101L · Trade Creditors LRD	4.46	-
3/1/2021	balance payment made for pinting materials bought due to exchange rate difference	415101L · Trade Creditors LRD	5.96	-
3/1/2021	balance payment made for pinting materials bought due to exchange rate difference	415101L · Trade Creditors LRD	51.76	-
6/16/2021	purchase of spare parts for the OIC's vehicles	415101L · Trade Creditors LRD	1,039.98	-
6/16/2021	Africa Motors Withholding tax	415101L · Trade Creditors LRD	21.22	-
6/16/2021	purchase of spares and repairs of the staff bus	415101L · Trade Creditors LRD	400.74	-
6/16/2021	Africa Motors Withholding tax	415101L · Trade Creditors LRD	8.18	-

Date	Memo	Split	Amount L$	Amount US$
6/17/2021	purchase of cleaning materials	415101U · Trade Creditors USD	-	392.00
6/17/2021	purchase of cleaning materials	415101U · Trade Creditors USD	-	8.00
6/22/2021	Lion Stationery Store withholding tax	415101L · Trade Creditors LRD	26.44	-
11/26/2020	Reimbursement for fund used to repair GC's assigned vehicle to the Mrs. Roberts	415101U · Trade Creditors USD	-	200.00
12/3/2020	Petty cash replenishment	415101L · Trade Creditors LRD	200.00	-
12/7/2020	Cost of two 12,000 BTU and brackets	415101L · Trade Creditors LRD	800.00	-
12/11/2020	purchase of two laptop computers	415101L · Trade Creditors LRD	1,050.00	-
12/14/2020	petty cash replenishment	415101L · Trade Creditors LRD	200.00	-
1/15/2021	Petty cash replenishment	415101L · Trade Creditors LRD	199.88	-
2/10/2021	To facilitate the travels of the commissioners to attend the launch national agriculture trade f...	415101U · Trade Creditors USD	-	150.00
3/1/2021	Petty cash replenishment	415101U · Trade Creditors USD	-	157.00
3/9/2021	Cost of legal fee for lawsuit filed by Lion Stationery against Gc for debt owed	415101U · Trade Creditors USD	-	100.00
3/22/2021	GC's contribution towards the internment of its staff in person of Mr. Richards Troh	415101U · Trade Creditors USD	-	200.00
7/13/2020	Reversal made on payment made to Benjah Security by the bank on 6/11/2020	3211031 · Governance Commission US$	-	2,016.00
12/1/2020	cost of security payment fees for the months of July and August 2020	415101U · Trade Creditors USD	-	2,016.00
12/1/2020	July & August 2020 security payment	415101L · Trade Creditors LRD	1,399.97	-
7/14/2020	cost of salary for the month of Mar, Apr, May and Jun 2020	3211034 · Governance Commission L$	2,669.20	-
TOTAL			**10,357.18**	**19,377.29**