

**SECTION 16A**  
**INFORMATION TECHNOLOGY & COMPUTING**  
**(ITC) SERVICES**

PART B: 2015 AUDIT FINDINGS AND RESPONSES

**TABLE OF CONTENTS**

16A.5 Un-utilized funds for upgrade of ministries and departments ICT projects .....3

- Integrated Labour Market Information System - \$3,000,000 .....4
- Purchase of Warehouse Management System - \$1,000,000.....4
- IT Purchase for Ministry of Health - \$400,000 .....4
- Digitization of Registrar of Titles, Companies and BDM - \$1,000,000.....6
- Upgrade of ICT Infrastructure for Ministry of Fisheries and Forestry - \$635,000 .....6
- Upgrade of ICT Infrastructure for Ministry of Agriculture - \$542,531.....9
- Fiji Geospatial Information System Programme for Ministry of Lands - \$150,000.....10

16A.6 Digitization of Registrar of Titles, Companies and Births, Deaths, Marriages Records ..... 11

16A.7 Capital Budgets Not Utilized ..... 12

16A.8 Private Public Partnership with “Software Provider” ..... 13

- 16A.8.1 Softwares to be developed and Timeframe is Silent in the Software Agreement..... 13
- 16A.8.2 Lack of Documents to Substantiate Payment made to “Software Provider” ..... 13
- 16A.8.3 Non-compliance to Software Agreement Clauses by “Software Provider” ..... 13
- 16A.8.4 Anomalies in Incidental Payments made to “ITC Management” ..... 14

16A.9 Follow – up Prior Year Audit Issue ..... 15

*50% Capacity of staff - Special Expenditures  
Renew/restructure of the ITC.*

## 16A.5 Un-utilized funds for upgrade of ministries and departments ICT projects

**Findings** – DITCS did not review the plans and arrangement made by the ministries and departments before disbursing funds to them. In addition, there was a lack of supervision and monitoring of the IT related works undertaken by a number of ministries/departments.

As a result substantial amount of funds disbursed to a number of ministries/departments for IT related works were not used and works were either not undertaken at all or not completed.

### **DITCResponse**

*Funds provided to ITCS for ministries and departments IT projects are tabulated below:*

Ministries	Purpose	Budget	Actual Expenses	Funds Vired Out	Savings
Labour	Integrated Labour Market Information System	3,000,000	224,607		2,775,393
Health	Purchase of Warehouse Management System	1,000,000			1,000,000
	IT Purchase - Ministry of Health	400,000	400,000		
Justice	Digitization of Registrar of Titles, Companies and Births, Deaths and Marriages (BDM)	1,000,000	133,804	865,553	643
Fisheries and Forestry	Upgrade of ICT Infrastructure for the Ministry	635,000	271,987		363,013
Agriculture	Upgrade of ICT Infrastructure for the Ministry	542,531	163,379		379,152
Lands	Fiji Geospatial Information System Programme	150,000	147,764		2,236
	<b>Total</b>	<b>6,727,531</b>	<b>1,341,541</b>	<b>865,553</b>	<b>4,520,437</b>

### Public Sector Investment Programmes (PSIP) for ministries and department

The ICT projects for the above ministries were identified by the respective ministries and departments and were part of their 2015 PSIP which they submitted through their ministry heads to the Ministry of Strategic Planning.

ITC Services was not involved in the planning or preparation of their IT projects. Most of the ministries have IT officers who prepare IT project papers in consultation with their corporate units to the national planners.

Only the Ministry of Justice's Digitization project was part of ITC's projects and was submitted through its PSIP.

Obtaining acquittals from the ministries was a challenge. Since the fund is on RIE, it was difficult to request for more funding unless the ministries acquitted the amount that they had utilized and this took quite a substantive length of time. Presumably the receiving Ministry or Department should be responsible for this, not DITCS.

Any amount that was unspent was returned to the Ministry of Economy's Consolidated Fund Account.

**Ministries and departments IT projects include:**

- **Integrated Labour Market Information System - \$3,000,000**

1. International Standard Organisation (ISO) certification

The project involved the ISO 9001:2008 Certification of the Ministry of Employment Productivity and Industrial Relations and the Labour Market Information System (LMIS) Project. The main objective of this project was to effectively make decisions that are based on understanding real time data and information and to make right policy decision with the aid of the Labour Market Information System (LMIS). The ITC Steering Committee in its Written Opinion No. 16/2015 on 25th May 2015 had approved the engagement of Independent European Certification Group to undertake the certification for the Ministry.

From the allocated \$3M to establish the LMIS, \$224,607 had been utilized for the ISO 9001:2008 Certification.

A tender for the Development of Integrated Labour Market Information System for MEP&IR was advertised twice in the Fiji Sun (27th and 30th May 2015). ITCS had to conduct a rigorous evaluation exercise to determine a vendor to deliver the ILMIS. This was not just a normal evaluation that we usually conduct but was a lengthy and thorough process because it involved site surveys, doing verification and getting feedbacks from other organizations that were already using the selected vendor's systems, evaluation support and maintenance system and cost negotiations. The evaluations resulted in the initial recommendation of a vendor at the total negotiated cost of \$602,692 (VIP) from \$638,782 giving a savings of 5.65% (\$36,090) to government.

Since this was to be the first project of this kind for the government, the ITC Steering Committee had requested further review on the proposal to ensure that government is invested on the exact solution to fulfill the required output. A meeting was convened by ITC Services with MEP&IR and the vendor to iron out some issues on the proposed solutions. ITC Services then managed to identify few items in the scope which seems to be a repetition of the current services provided at the ITC Data Centre. As such, the costs were further negotiated. The vendor was requested to review their financial proposal and eliminate those unnecessary cost associated without a change in scope. In the fifth round of negotiation, they finally agreed to supply at the revised cost of \$427,190.00 (VIP) with the savings of \$211,592 (33%) accrued to the government.

This process was finalized in 2016 and by the time the available balance for the allocated budget of \$3,000,000 in 2015 had been deployed and budget allocated for the same is only \$100,000 in 2016.

- **Purchase of Warehouse Management System - \$1,000,000**

More detailed discussions needed to take place on this system. There was some discussions on government level to have a proper scoping of the work done. There was also a need to visit sites and see the system in operation before the work was scoped

- **IT Purchase for Ministry of Health - \$400,000**

PSIP for Ministry of Health highlighted the following tasks:

Tasks	Timeline	Responsible
Hardware Procurement includes PC, UPS and MFP	5 Months	ITCS/ MoH
Server and Network Upgrade	4 Months	ITCS/ MoH
Procurement of other ICT Equipment's	4 Months	ITCS/ MoH

Introducing Photo and PVC ID Cards	6 Months	ITCS/ MoH
Integration of PATIS and BDM	4 Months	Bureau of Stats/ITCS/MoH

The main objective is to provide support for Information Technology Communications. It is also to ensure high availability and faster access to applications. IT purchase required by the Ministry included PC, UPS and MFP, Server and Network Upgrade, Procurement of other ICT Equipment's, Photo and PVC ID Cards and the integration of PATIS and BDM.

\$400,000 was released to the ministry for the purchase of 300 PCs. ITC assisted in the ministries in calling of tenders and their procurement as highlighted below:

1. *Purchase of UPS & Ribbons*

The purchase of Uninterrupted Power Supply (UPS) and Ribbons for the Ministry of Health was part of their on-going service that needs to be delivered by the ministry. The UPS required was for the PCs and was urgently required by the Ministry due to the uncertain power disruptions. To avoid loss of data, the purchase was important to ensure that the ministry's system in the running mode so the users can save their precious data and shut down their computer safely.

For the purchase of Ribbon, this was an on-going purchase as the item will be used in their Records department for printing National Health card and patients prescription in Pharmacy.

A tender was called approval was received from the ITC Steering Committee on 1<sup>st</sup> August 2015 to purchase 300UPS at \$180/unit and 5300 ribbons at \$7.99/ unit giving a savings of \$1,000 - \$2,800.

The project was completed.

2. *Structured Cabling at Ministry of Health, Labasa*

The ITC Steering Committee on 18th March 2014 awarded the tender for the Supply and Installation of cat 6 structured cabling at the Ministry of Health (Labasa) to a vendor at the total negotiated cost of \$40,000 (VIP). A successful negotiation was conducted in this award for which a savings of \$15,732.90 was noted. The contract had already been signed with the vendor and according to the vendor and the Ministry of Health; the initial scope has already been completed and paid. On 22nd September 2014, the Committee in its Written Approval No. 26/2014 approved a variation in scope for the same site on the request of the Ministry of Health. The vendor was approved to undertake the project at the total cost of \$9,100 for which a savings of \$835.22 was noted from the negotiation conducted.

After a project meeting update with the vendor on 29th October 2014, ITC Services was informed that the vendor has not received any Purchase Order or advise from the ministry to undertake the variation work which was approved by the Committee. Like in the 1<sup>st</sup> variation work, the ministry has identified extra work required at the Labasa Hospital after the completion of the initial scope. In addition, extra work was also identified after noting the scope of approval granted in the 1<sup>st</sup> Variation against what's needed on the ground. Hence the ministry has identified the other requirements.

ITC was advised by the Ministry that for cost efficiency, they had decided to await this variation request to be undertaken together with the 1st Variation works which was approved by the Committee in September. In assessing the addition work identified, ITC Services has agreed to the specification requirements proposed as the scope identified was not included in the initial and the 1st Variation works. Based on the need highlighted and like in the request for the 1<sup>st</sup> Variation, the same vendor was invited to submit their cost on the additional work required. Based on the need required and the negotiated conducted, the Steering Committee approved the same vendor to undertake the 2nd variation identified at the total negotiated cost of \$16,979.14 (VIP) giving a savings of \$2,663.38 from the negotiation undertaken.

The structured cabling has been successfully completed.

### 3. *Structured Cabling at CWM Suva*

The ITC Steering Committee on 18th March 2014 awarded the tender for the Supply and Installation of CAT 6 structured cabling at the Ministry of Health (CWM Hospital) to a vendor at the total negotiated cost of \$175,000 (VIP). A successful negotiation was conducted in this award for which a savings of \$38,215.32 was noted.

Like in the other structured cabling projects for the 2 other hospitals (Lautoka and Labasa) which was approved by the ITC Steering Committee, it was during the process of cabling that the Ministry of Health had identified the extra work required at the CWM Hospital. Because of the implementation and completion timelines, the vendor was advised to proceed with the actual scope at the cost approved by the Steering Committee and a separate request will be issued as “variation to the contract” for the additional work required.

Based on the extra needs highlighted, the vendor was invited to submit their cost on the additional work required. In assessing the addition work identified, ITC agreed to the specification requirements proposed that it would fulfill the project requirements of the Ministry. Based on the need required and the negotiated conducted, the Steering Committee approved the variation identified at total negotiated cost of \$9,100.00 (VIP) noting a savings of \$835.22 from the negotiation undertaken.

The structured cabling has been successfully completed

- **Digitization of Registrar of Titles, Companies and BDM - \$1,000,000**

Out of the \$1m, \$133,000 was used to purchase ten (10) scanners for the project and the remaining funds were vired to Storage System Capacity

- **Upgrade of ICT Infrastructure for Ministry of Fisheries and Forestry - \$635,000**

The Ministry of Fisheries and Forests has a budget of \$635,000 allocated for its ICT Upgrading Project. The plan to upgrade PABX systems throughout government is to ensure that we standardize the systems saving cost on telephone costs. The upgrade would fit into the overall ITC blueprint to connect all government PABX systems to the “core switch” at ITC.

Below is the list of activities highlighted in the ministries’ PSIP:

The 18 sub activities for ICT Infrastructure Upgrade are as follows:

1. Structured Cabling of Divisional Forestry Office Lautoka
2. Structured Cabling of Divisional Fisheries Office Lautoka
3. Structured Cabling of Silviculture Research Division
4. Structured Cabling of HQ Server Room
5. Upgrade of Data Room at Headquarters
6. Data line rentals for 13 Stations
7. PABX Systems for Forest Management Services Division
8. PABX Systems for Naduruloulou Fisheries Research Station
9. PABX Systems for Lami Fisheries Station
10. PABX Systems for Savusavu Fisheries Station
11. PABX Systems for Lautoka Fisheries Office
12. Radio Communication Systems for Forestry Western Division

13. Radio Communication Systems for Fisheries Western Division
14. Radio Communication Systems for Fisheries Central Division
15. Radio Communication Systems for Fisheries Eastern Division
16. Radio Communication Systems for Fisheries Northern Division
17. Transport
18. Project Administration

#### Application System Development

The 5 sub activities for Application System Development are as follows:

1. Upgrade of the Forest Export Monitoring System (FEMS)
2. Upgrade of the Forest Licensing Revenue System (TRS)
3. Upgrade of the Fisheries License & Market Survey Databases
4. Website Development
5. Project Administration

#### 1. PABX Upgrade

With the upgrade of ITC Services core at Data Center (Tender No. ITC Contract 6/2013) and the award of PABX tender (ITC Contract 5/2013), the Ministry of Fisheries has identified the need to change/upgrade their current telephony system. For more than 9 years, the ministry had been using the Private Automatic Branch Exchange model NEC Neax 2000 IPS. According to the ministry, they had been paying rental charges of two thousand five hundred dollars (\$2,500) on a monthly basis which is exclusive of outgoing call costs and other services. Apart from the significant monthly rental paid, there are other problems associated with their current PABX.

A survey was conducted by ITC in consultation with the Ministry of Fisheries and Forest to determine the supply requirements at Takayawa Building and the vendor was then requested to submit their proposal in-line with the requirements. The proposal was reviewed by ITC Services together with the Ministry of Fisheries and Forest for which the scope proposed fully complied with the requirements. From the cost submitted, few rounds of negotiations were conducted by ITC Services with the view of ensuring the best product and cost is offered for the government. The vendor has agreed to reduce their costs further and confirmed on 28<sup>th</sup> January 2015 that the revised rated submitted was still valid. The Steering Committee approved the engagement of the vendor for the supply and installation of PABX System for the Ministry of Fisheries and Forest at the total cost of \$108,046.28 (VIP). A savings of \$8,160.03 was noted from the negotiation conducted on this procurement and a savings to the Ministry after the commissioning in-terms of rental will be \$20,000 a year.

ITC released \$188,049.39 to implement and complete the project.

#### 2. PABX systems, payment of leased lines and purchase of computers

Hardware	Quantity	Cost per item	SLA	Total Cost
PABX Takayawa Building Toorak	1	\$78,046.28	\$30,000	\$108,046.28
Desktop Computer (i5)	3	\$1,825		\$5,475.00
Laptop Computer (i5)	2	\$1,811		\$3,622.00
Biometric Machine	2	\$876.30		\$1,752.60
				<b>\$118,895.88</b>

Below are the sites that are linked to ITCS and the costs:

LINK LINE TO ITC	Circuit Number	Bandwidth	Rental per month	Rental per year
Naduruloulou	D160028	2Mbps	\$750.86	\$9,010.32
Wainibokasi	D160096	2Mbps	\$750.86	\$9,010.32
Savusavu	D167065	2Mbps	\$750.86	\$9,010.32
Levuka	D165763	2Mbps	\$750.86	\$9,010.32
Lautoka (Fisheries)	D160613	2Mbps	\$750.86	\$9,010.32
Lautoka (Forestry)	D160614	2Mbps	\$750.86	\$9,010.32
Nasinu TUD	D160201	2Mbps	\$894	\$10,728.00
Forestry Research Colo-i-Suva	D160202	2Mbps	\$894	\$10,728.00
Forestry Training Center Colo-i-Suva	D160204	2Mbps	\$894	\$10,728.00
Management Services Division Colo-i-Suva	D160203	2Mbps	\$894	\$10,728.00
Lami Fisheries station	D160276	2Mbps	\$894	\$10,728.00
Labasa Fisheries station	D167145	128k	\$440	\$5,280.00
<b>Total Budget requested for this quarter</b>				<b>\$112,981.92</b>

The amount of \$231,877.80 was released for the installation of PABX, purchase of computers and laptops, purchase of a biometric device and the payment of leased lines.

### 3. *Cabling and Purchase of equipment for the Western Division*

\$85,205.10 was released for the structure cabling of Lautoka Forestry, Lautoka Fisheries, Silviculture Research office and the purchase of computers, laptops and printers for their application system. The costs of the above items are tabulated below:

Hardware	Quantity	Cost per item	Total Cost
i7 desktops for data entry	13	2,140	2,7820
i7 laptops for Fisheries/Forestry	2	2,158	,4316
Low end printers	11	965.75	10,623.25
Medium end printers for report printing	2	5,470	10,940
<b>Total</b>			<b>\$53,699.25</b>

Below are the sites cabled and the costs:

Offices	Cabling	Network Equipment	UPS	Cost
Divisional Forestry Office Lautoka	Telnet - \$7,966.22	Telnet - \$2,500		\$10,466.22
Dvisional Fisheries Office Lautoka	TFL - \$8,709.62	Telnet – \$2,800.00		\$11,509.62
Silviculture Research Division	GEM IT – \$5,850	GEM IT – 2,830	Telnet - \$850	\$9,530.00
<b>Total</b>				<b>\$31,505.84</b>
<b>Total Budget requested</b>				<b>\$85,205.09</b>

#### 4. Cabling, Training and Purchase of equipment

The ministry further requested \$119,697.70 for structured cabling for Colo-i-Suva office, Sigatoka office and Lami office. This also included training, purchase of servers and printer toners. The procurement is summarised in the table below.

Items	Costs
Structured & restructured cabling	56,305.43
Database Training	23,330.70
Procurement of servers	35,700.00
Toners for Printers (for database reports)	4,361.57
<b>Total</b>	<b>119,697.70</b>

During the implementation of the above projects, ITC had requested the ministry to amend their ICT Annual Plan to capture the changes in the new TFL rates so as to be in-line with the National Planning office. However, a total of \$436,780.59 was released to the ministry.

- Upgrade of ICT Infrastructure for Ministry of Agriculture - \$542,531

The Ministry of Agriculture had a budget of \$542,531 allocated for its ICT Infrastructure Upgrading Project.

##### 1. Structured Cabling and Network Equipment

Below are the sites that were upgraded in the Northern division:

ICT Upgrade in the North	
Sites	Cost
Structure cabling & network equipment at Dreketi station	\$20,547.57
Structure cabling & network equipment at Seaqqa (Extension) station	\$8,078.69
Structure cabling & network equipment at Seaqqa (Research) station	\$10,629.93
Structure cabling & network equipment at Nabouwalu station	\$11,921.45
Structure cabling & network equipment at Savusavu station	\$14,584.85
Structure cabling & network equipment at Labasa station	\$33,610.52
Dreketi 512Kbps VTSAT with solar option @\$950/month	\$11,400.00
Dreketi leased line installation	\$1,000.00
Seaqqa Extension 512Kbps VTSAT without solar option @\$821/month	\$9,852.00
Seaqqa Extension leased line installation	\$1,000.00
Seaqqa Research 512Kbps VTSAT without solar option @\$821/month	\$9,852.00
Seaqqa Research leased line installation	\$1,000.00
Nabouwalu Extension 512Kbps lease line @\$535.47/month	\$6,425.64
Nabouwalu Extension leased line installation	\$1,000.00
Savusavu Agriculture 2Mbps link to Savusavu @\$652.92/month	\$7,835.04
Savusavu Agriculture leased line installation	\$1,000.00
<b>Total</b>	<b>\$149,737.69</b>

There was a request for \$149,737.69 to purchase the systems above. The ministry was also requested to amend its annual work plan. The next phase was supposed to be the outsourcing of an Agriculture database and the last phase was the upgrade in the Western division.

- Fiji Geospatial Information System Programme for Ministry of Lands - \$150,000

*Below are the details of the ministry's PSIP*

ITEM	COST
Maintenance of Computer hardware's	\$15,000.00
Purchase of Computers/Laptops	\$36,500.00
IT Communication Links	\$10,000.00
Purchase of Computer Peripherals and Toners	\$30,000.00
UPS	\$4,000.00
Fiji Geospatial Information Council Meeting	\$11,000.00
ArcGIS EDN Software Annual Maintenance	\$12,000.00
ArcGIS Desktop Software Annual Maintenance	\$25,000.00
Miscellaneous (Adhoc IT purchase)	\$6,500.00
	<b>\$150,000.00</b>

The Ministry of Lands and Mineral Resources has a budget of \$150,000.00 allocated for its Geospatial Information System Project.

The objective of the project was to provide support to the Fiji Geospatial Information System support centre. This support included maintenance of existing IT infrastructure, Geospatial software licensing and purchase of new computer hardware and peripherals.

The ArcGIS Enterprise Licensing Agreement allows the use of the FGIS software by the Ministry of Lands and Mineral Resources. This is a three (3) years agreement and will allow unlimited access to the products. Without the license, the ministry will not be able to use the software for Geospatial services and some of the benefits include having:

- A cost effective and flexible means to deploy web GIS across the organisation
- Reduced administrative and procurement expenses
- Complete flexibility to deploy software products when and where needed

Approval was given for the release of \$113,550.34 to purchase the system above. To improve service delivery of the GIS and the development of the project, the system developments require high end machines thus another \$32,568.00 was released to purchase three (3) High End PCs and three (3) laptops.

## 16A.6 Digitization of Registrar of Titles, Companies and Births, Deaths, Marriages Records

**Findings** – Lack of proper planning and budgeting for IT projects included in the PSIP. The funds were vired out from the Digitization of the Ministry of Justice Projects for other works. As a result, scanners for the digitization of Registrar of Titles, Companies and Births, Deaths, and Marriages records were inadequately to meet the objectives.

### ***DITCS Response –***

*Out of the \$1m, \$133,000 was used to purchase ten (10) scanners for the project and the remaining funds were vired to Storage System Capacity.*

*The Ministry of Justice have millions of documents that needed to be scanned for BDM, ROC and ROLTD and once the documents were scanned they had to be stored somewhere. Therefore, we needed a lot of data storage space and hence the reason for us to use the digitization allocation for the purchase of the SAN storage.*

*ITC was allocated \$250,000 for Storage Network Capacity. However, ITC has to make provision for storage systems. As volume of digitized record grows, we ought to continue to provide storage for them.*

*Out of the \$1,000,000 Digitization funds, \$865,552.17 was released to cater for the shortfall payment for the Storage Network Capacity totalling \$2,432,885 that was approved by the Steering Committee on 29/01/2015. The remaining balance was sourced from Capital Purchase.*

*The observation relates to project planning and delivery rather than financial management.*

## 16A.7 Capital Budgets Not Utilized

**Findings** – Poor project management. As a result, funds provided for in the budget were not utilized and the projects were not implemented.

### ***DITCS Response –***

*Most of the issues raised appear to be related to project management, governance and scheduling. The finding indicates “DITC’s poor project planning, supervision and monitoring is the sole reason for failure to implement indicates that a deeper analysis of the issues was not undertaken. Very few complex projects are delivered according to the initial plan. Factors such as eternal project governance, souring of goods and services in a competitive market, the ebb and flow of resources, balancing and competing priorities and unforeseen changes to the environment all have an impact on project delivery.*

## 16A.8 Private Public Partnership with "Software Provider"

### 16A.8.1 Softwares to be developed and Timeframe is Silent in the Software Agreement

**Findings** - Audit could not ascertain the number of projects "Software Provider" planned to undertake on a yearly basis, its date of commencement, date of completion and the current status of each software development project.

In absence of the software projects and timeframe specified in the contract could result in delay in realization of government objective for delivering its services through its e-governance programs and to make DITCS the IT hub for all Government Ministries and Government controlled companies

#### **DITCS Response -**

*Management confirms that the number of projects that the Software Provider is providing for whole of government has been provided to the Auditor General's Office*

*\$500,000 USP. / mgt of USD software.*

### 16A.8.2 Lack of Documents to Substantiate Payment made to "Software Provider"

**Finding** - Audit could not substantiate whether payments made to "Software Provider" were justified in terms of value for money derived as details of the work done by Software Provider were not stated in the invoice submitted for payment.

Audit could not confirm the payment totaling FJD \$2,280,772 made to Software Provider as at 31/12/15 was correct and justified

#### **DITCS Response -**

*The minimum payment due to "Software Provider" under the existing contract is USD500,000 per year (USD 125,000). This is the amount that is being paid to Software Provider".*

### 16A.8.3 Non-compliance to Software Agreement Clauses by "Software Provider"

**Finding** – Due diligence was not exercised to ensure that "Software Provider complied with the terms and conditions of the software agreement for the management of DITCS.

#### **DITCS Response -**

*Management notes that the audit has not raised which particular clauses have not been complied with by the Software Provider and therefore, cannot properly respond to the finding made.*

16A.8.4 Anomalies in Incidental Payments made to "ITC Management"

**Finding** – Weak internal controls in place to ensure that all payments are properly supported with proper documents. In the absence of proper documentations, there is a high risk or misappropriation of public funds.

**DITCS Response** –

*The relevant supporting documents are provided to the Steering Committee and upon verification of the supporting documents by the internal accounts team, this is approved for payment.*

*oTAG will get back on the prior approval - Steering Committee*

## 16A.9 Follow – up Prior Year Audit Issue

**Finding** – There was a significant delay (2013 – 2015) in finalizing the procurement policy. The DITCS was not able to explain the reasons for the delays in finalizing the Procurement Policy by the Steering Committee.

### **DITCS Response –**

*The ICT Procurement Policy has not been finalized and is currently being reviewed by the Office of the Solicitor General. In the absence of the ICT Procurement policy, the department is guided by the Fiji Procurement Regulations 2010 however, the request for all ICT goods and services is submitted to the ITC Steering Committee for final endorsement as required in the DITC Act 2013.*

*The procurement process used is in-line with the standard government process in which the following is undertaken:-*

- 1. All procurement which exceeds the \$50,000 thresholds are facilitated through the normal tendering process in which the advertisement are published twice in the local newspaper before the closing date. All proposals are received via the tender box and are officially opened by the ITC Steering Committee. The evaluations are undertaken by a committee and recommendations are submitted for the final approval of the ITC Steering Committee. All those procurement that falls under the provision for waiver of tender are also facilitated through the ITC Steering Committee for final endorsement.*
- 2. All procurements below \$50,000 are facilitated through the normal quotation process for which invitation are sent to three or more suppliers to provide their quotation. Proposals received are also evaluated before recommendation is made to respective ministries and departments. There were some requests received from ministries and departments in which quotations are also provided. For this ITC ensures that the minimum 3 quotations and the best suppliers are invited for the sole benefit of the government before assessment and recommendation is provided.*
- 3. From 2016 DITCS has implemented the e tendering solution. All ICT procurements (RFT/RFQ) are issued through the e tender portal. We also advertise in the newspaper.*

*e Tendering Portal*