

**REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON THE
AUDITOR-GENERAL'S REPORT OF THE REPUBLIC OF THE FIJI ISLANDS
VOLUME 4- AUDIT REPORT ON GOVERNMENT MINISTRIES AND DEPARTMENTS 2015**

40	MINISTRY OF INFRASTRUCTURE AND TRANSPORT				
	FIJI METEOROLOGICAL SERVICES				
No.	Heading	Issue	OAG Recommendations	Ministries/Dept.'s Comments	Departments Response on Current Status
40.14.1	Anomalies in Construction of Archive Facility	<p>The GTB in its Meeting No. 17/2015 held on 28/9/15 approved to award the contract for the construction of the new archive facility to a Contractor for a sum of \$866,898.90 (VIP) including retention sum of \$86,689.89 and excluding contingency sum of \$86,689.89.</p> <p>The Department paid a total of \$858,229.35 to the Contractor which included contingency sum of \$78,020.34 as at 31 December 2015. However, no variations to the initial scope of work were noted as at 31 December 2015. As a result, the Department overpaid the contractor by \$78,020.34 as at 31 December 2015.</p>	<ul style="list-style-type: none"> the overpayment made to the Contractor is to be recovered; proper monitoring of the projects are done at all times to ensure its timely completion; and the contract clause such as delay damages are applied for the failure on the part of the Contractor. 	<p>The audit recommendations are acknowledged and the Ministry had formally requested the contractor via letter dated 29th July 2016 to refund the Contingency Sum of \$78,020.34. The General Manager for the Contractor in a meeting with DBGA had agreed to issue a refund cheque on 2nd August 2016.</p> <p>The Ministry ensures that as per audit recommendations, proper monitoring of projects will be done at all times to ensure timely completion and contract clause such as delay damages will be applied for failure on the part of the contractor.</p>	The full sum of \$78,020.34 was received from the contractor and receipted by MOE in the CFA on 08/08/2016.
40.14.2	Upgrading of Outer Island Works Not Properly Planned	\$147,431 or 98% of the total budget for Capital Upgrading Works was utilised for the construction of footpath and fencing works at Ono-I-Lau Meteorology Station only. The tender process was waived and works were carried out by the	The Department should ensure that the project cost estimates are properly carried out and funds are properly managed to ensure projects are completed within the	The breakdown of the \$150,000.00 was not submitted by DBGA's office to FMS thus the breakdown cannot be used as a basis of project cost with the estimate from DBGA's office. The improvements at Ono-i-Lau itself exhausted the	Ministry strictly monitors the project implementation and utilisation to ensure that projects are completed within the approved budget and given timeframe.

		<p>Ministry of Infrastructure and Transport.</p> <p>Since majority of funds made available in the 2015 Budget Estimates were used for Ono-I-Lau Meteorology Station, fencing and footpath works for other stations were not undertaken during the year.</p>	approved budget.	<p>available funds, thus not allowing for other stations to be undertaken within the allocated funds. Since then the funding has been utilized at each of the stations.</p> <p>The \$147,431.00 was the estimate for Ono-i-Lau alone which covered the total breakdown i.e. only material cost was estimated excluding cartage, labour, geographical location, transportation, etc. The Department ensures that projects cost estimates are now properly carried out and have a realistic cost that includes labour, transportation and other logistics to account for the remote locations of the stations.</p>	
40.14.3	Building Works Carried Out Without Any Agreement	Building works were carried out without any formal agreement between the Department and the Contractor	The Department should ensure that at a MOA is signed with the Contractor for all works valued less than \$50,000.	The Department will ensure that MOA is signed with the Contractor(s) for all works valued less than \$50,000 and more than \$5,000.	The department ensures that proper agreement is executed for all contracted works
40.14.4	Journal Vouchers Not Adequately Supported	The Department raised several journal vouchers to make accounting adjustments. However, the journal vouchers lacked adequate supporting documents.	The Department should ensure that journal vouchers have adequate supporting documents.	<p>The Department certifies that the transactions were correctly journalized however, there was an oversight to attach the supporting documents as evidence. The oversight is attributed to lack of monitoring and also lack of appropriate staff.</p> <p>There is a need for a ledger</p>	The department has requested in the 2017/2018 budget submission for additional accounts staff for segregation of duties and also to undertake other accounting responsibilities.

				clerk at FMS and this will be further explored with management. In the meantime, the work has been delegated to the newly transferred in AAO from HQ who is an experienced officer who will ensure the proper recording of process with supporting documents as required.	
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