

## MINISTRY'S AUDIT RESPONSE – DRAFT AUDIT MEMORANDUM (2015)

No.	Audit Issue	Recommendation	Ministry Response
7.1.1	Representation Allowance Claims Not Adequately Supported	<p>All representation allowance claims are not adequately supported with the relevant details of the person entertained, purpose of the meeting, and the documents supporting the expenditures incurred: and</p> <p>Supervisory controls and checks at the Missions and Headquarters are strengthened to avoid such discrepancies</p>	<ul style="list-style-type: none"> <li>The recommendations are duly noted.</li> <li>The Mission is advised to make a formal template detailing claims of the representation allowance. This shall be endorsed by HOM or Senior Diplomat enclosing relevant documentations. The details of allowances must also entail the 1/3 and 2/3 categories respectively.</li> </ul>
No.	Audit Issue	Recommendation	Ministry Response
7.1.2	Anomalies in Leave Allowance paid to First Secretary for Brazil Mission	<p>Recover overpaid post allowance, leave allowance and leave compensation from the officers concerned;</p> <p>Recover the leave compensation paid in addition to 20 days approved by the A/PS for Foreign Affairs;</p> <p>Ensure that all accountable advance are retired with proper documentary evidence; and</p> <p>Investigate all overpayments and take appropriate disciplinary action against Officers responsible.</p>	<ul style="list-style-type: none"> <li>The officer was compensated 40 days annual leave in 2011 for previous leave tour amounting \$5,456.31.</li> <li>In 2015, he was again compensated 70days in 2015.</li> <li>In addition, the officer was to proceed on Long Service Leave from 8<sup>th</sup> September 2000 but did not proceed due to work commitment and losing out on acting appointment.</li> <li>The compensation is in order and has been endorsed by A/PS. The Ministry is now encouraging all staff to take leave to ensure that there is no more accumulation of annual leave.</li> </ul>

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7.1.3	Incorrect Remuneration of Post Allowance – High Commission Canberra	<p>Recover overpaid Post Allowance from the respective Officers; and</p> <p>Ensure that the supervisory checks at the Commission and Headquarters are strengthened to avoid such discrepancies.</p>	<ul style="list-style-type: none"> <li>• The recommendation has been supported.</li> <li>• On way forward, the High Commissioner was overpaid post allowance from period 23/04 – 06/05/2015 for the total sum of \$132.22 [refer confirmation by Canberra Mission]</li> <li>• The sum has been recovered from the High Commissioner's salary within one instalment.</li> <li>• It shall also be noted that strict monitoring process is undertaken by HQ as well as responsible staff at Mission in order to alleviate chances of any anomalies.</li> </ul>
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7.1.6	Manual Payments not Updated in the Payroll System	<p>Avoid manual payments of salaries and wages to its staff;</p> <p>Ensure that any manual salaries and wages paid is updated into the payroll system; and</p> <p>Take disciplinary action against officers responsible for several manual payment of salaries and wages and not updating the payroll system for these manual payments.</p>	<ul style="list-style-type: none"> <li>• The recommendations are supported.</li> <li>• On way forward, an internal memo was circulated within the Ministry reminding all staff that manual payments will be restricted ONLY to special cases. Other than that, manual payments of remunerations will not be entertained.</li> <li>• Strict monitoring of payroll processes will be carried out by senior accounting officers to avoid any chances of manual payments.</li> </ul>

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7.1.7	Payroll Reconciliations not Up to Date	<p>Ensure that payroll reconciliations are prepared in a timely manner; and</p> <p>Take appropriate disciplinary action against the Principal Accounts Officer for not performing his duties.</p>	<ul style="list-style-type: none"> <li>The recommendation is noted.</li> <li>The Ministry will ensure that payroll reconciliations are submitted accurately and on time. Senior Accounting Officers to monitor the submissions prior to due dates.</li> </ul>
No.	Audit Issue	Recommendation	Ministry Response
7.2.1	Anomalies in Overseas Travel	<p>Provide training to its accounting officers on the payment of travel expenses;</p> <p>Recover the overpaid per diem allowances from the officers concerned; and</p> <p>Take appropriate action against Accounting officers for incorrect calculation which resulted in over paid per diem allowances.</p>	<ul style="list-style-type: none"> <li>The payment of per diem for the Hon Minister was made in accordance with respective Cabinet approvals. However the extended days of travel were other official visits made in order to cut costs for government while the Minister is travelling along or near the same route .</li> <li>For overpayment of per diem for Mr. Vilitati Mataitini has been justified. A recovery via salary deductions amounting to \$859.59 has been activated @ \$61.40 per fortnightly from pay 14 to pay 26 of 2016.</li> <li>The calculation of per diem made for Mr. Nayasi was based on the initial rate[\$358] plus the accommodation and 34% meals whilst the query were derived on difference between initial[\$358] and new rate[\$447].</li> </ul>
No.	Audit Issue	Recommendation	Ministry Response
7.2.3	Revenue Collected by Overseas Missions	<ul style="list-style-type: none"> <li>To cease using revenues collected from overseas missions for its operations.</li> </ul>	<ul style="list-style-type: none"> <li>Any revenue received for passport/visa charges are reflected as: Dr – Seg 51 Missions Bank ac</li> </ul>

		<ul style="list-style-type: none"> <li>• Ensure all revenues collected from missions to be deposited in Consolidated Fund Account.</li> <li>• MOF to investigate</li> </ul>	<ul style="list-style-type: none"> <li>• Cr – Revenue – Immigration Dept</li> <li>• For other revenue: Dr – Seg 51 Missions Bank ac Cr – Misc Revenue MOFA</li> </ul>
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7.2.4	Unbudgeted Expenditure – Head Quarters	<p>Funds are only utilized for the purpose it has been allocated for in the budget; and</p> <p>Approval is obtained from the Ministry of Finance for any deviation of funds for an unbudgeted or unplanned activity.</p>	<ul style="list-style-type: none"> <li>• The Retreat was a program allowing Senior Officials to participate in reviewing the Ministry's performance for the first 6 months of 2015 and plan the way forward in the formulation of the Ministry's strategic direction.</li> <li>• On way forward, the Ministry will seek prior approval from MOF for such expenditures not appropriated in budget before activities are undertaken.</li> </ul>
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7.2.7	Significant Amount of Unretired Accountable Advance	<p>Make direct deduction of salaries to recover all outstanding Accountable Advance;</p> <p>Take disciplinary action against the Principal Accounts Officer for not taking appropriate action to recover outstanding Accountable Advance; and</p> <p>Surcharge the Principal Accounts Officer for amounts of Accountable Advance not recoverable.</p>	<ul style="list-style-type: none"> <li>• The recommendations are supported.</li> <li>• On way forward, all pending accountable advances have been processed and relevant recovery via salary deductions have been effected accordingly.</li> <li>• In addition, a new format of retirement has been introduced in the Ministry by MOF via the FMIS. This should alleviate any chances of outstanding advances in our books.</li> </ul>

