



Ministry of Education, Heritage & Arts



2016 Audit Issue Clarifications

Ms. Alisson Burchell
Permanent Secretary

10th April 2018



- **Our Vision**

- “Quality Education for Change, Peace and Progress”

- **Our Mission**

- “To provide a holistic and empowering education system that enables all children to realize their inheritance and potential contributing to peaceful and sustainable national development”

Anomalies on Building Grant 1

REGISTRATION	ANOMALIES OF BUILDING GRANT	ABSENCE OF SIGNED AGREEMENT	ASSURANCE OF CONTROL	PROJECT
1069	<p>-The MEHA-AMU SOPs on Building Grants were <i>not adhered to</i> and procedures and processes were not followed due to directives received</p> <p>-Funds for assistance were directly deposited into the school FEG account not the school development account as per directive from the former Honorable Minister</p> <p>- For this, SEOs in education districts, are not familiar with monitoring the utilisation of funds, on work progress through project stages, in schools that were assisted</p>	<p>-This MOA should be between the school and the contractor on the work to be done by the contractor according to the approved plan</p> <p>-The MEHA has informed the schools through the MEHA Awards letter to provide the copy of the MOA between them and the contractor</p>	<p>-The MEHA-AMU SOPs should be followed to prevent discrepancies identified and the experience of the past three years</p> <p>-Robust project monitoring system is in place and it is being strengthened and supported by the MEHA team</p>	<p>-\$15,000.00 for completion of 1x2 Classroom</p> <p>-\$10,000.00 for the construction of ECE Classroom.</p> <p>-All projects completed and opened officially by Hon PM</p> <p>-MEHA Initiatives</p>

Anomalies on Building Grant 2

REGISTRATION	ANOMALIES OF BUILDING GRANT	ABSENCE OF SIGNED AGREEMENT	ASSURANCE OF CONTROL	PROJECT
9607	<p>-The MEHA-AMU SOPs on Building Grants were <i>not adhered to</i> and procedures and processes were not followed due to directives received</p> <p>-Funds for assistance were directly deposited into the school FEG account not the school development account as per directive from the former Honorable Minister</p> <p>- For this, SEOs in education districts, are not familiar with monitoring the utilisation of funds, on work progress through project stages, in schools that were assisted</p>	<p>-This MOA should be between the school and the contractor on the work to be done by the contractor according to the approved plan</p> <p>-The MEHA has informed the schools through the MEHA Awards letter to provide the copy of the MOA between them and the contractor</p>	<p>-The MEHA-AMU SOPs should be followed to prevent discrepancies identified and the experience of the past three years</p> <p>-Robust project monitoring system is in place and it is being strengthened and supported by the MEHA team</p>	<p>-\$60,000.00 to construct 4 classrooms</p> <p>-The project is Incomplete due to lack of funds</p>

Anomalies on Building Grant 3

REGISTRATION	ANOMALIES OF BUILDING GRANT	ABSENCE OF SIGNED AGREEMENT	ASSURANCE OF CONTROL	PROJECT
1309	<ul style="list-style-type: none"> -AMU was not consulted of the project in the initial stage of project -The funds were allocated to the school by former Honorable Minister 	<ul style="list-style-type: none"> -This MOA should be between the school and the contractor on the work to be done by the contractor according to the approved plan -The MEHA has informed the schools through the MEHA Awards letter to provide the copy of the MOA between them and the contractor 	<ul style="list-style-type: none"> -The MEHA-AMU SOPs should be followed to prevent discrepancies identified and the experience of the past three years -Robust project monitoring system is in place and it is being strengthened and supported by the MEHA team 	<ul style="list-style-type: none"> -\$100,000.00 to build a school hostel -Project Incomplete due to the change of the building Plan by the school -MEHA Initiative

Anomalies on Building Grant 4

REGISTRATION	ANOMALIES OF BUILDING GRANT	ABSENCE OF SIGNED AGREEMENT	ASSURANCE OF CONTROL	PROJECT
1025	<p>-AMU was not consulted of the project in the initial stage of project</p> <p>-The funds were allocated to the school by former Honorable Minister</p>	<p>-This MOA should be between the school and the contractor on the work to be done by the contractor according to the approved plan</p> <p>-The MEHA has informed the schools through the MEHA Awards letter to provide the copy of the MOA between them and the contractor</p>	<p>-The MEHA-AMU SOPs should be followed to prevent discrepancies identified and the experience of the past three years</p> <p>-Robust project monitoring system is in place and it is being strengthened and supported by the MEHA team</p>	<p>-2015 -\$10,000.00 to complete the ground floor of the double storey building</p> <p>-Project completed</p> <p>-MEHA Initiative</p>

Anomalies on Building Grant 5

REGISTRATION	ANOMALIES OF BUILDING GRANT	ABSENCE OF SIGNED AGREEMENT	ASSURANCE OF CONTROL	PROJECT
<p>9439</p>	<p>-AMU was not consulted of the project in the initial stage of project</p> <p>-The funds were allocated to the school by former Honorable Minister</p>	<p>-This MOA should be between the school and the contractor on the work to be done by the contractor according to the approved plan</p> <p>-The MEHA has informed the schools through the MEHA Awards letter to provide the copy of the MOA between them and the contractor</p>	<p>-The MEHA-AMU SOPs should be followed to prevent discrepancies identified and the experience of the past three years</p> <p>-Robust project monitoring system is in place and it is being strengthened and supported by the MEHA team</p>	<p>2015 - \$60,000.00 to build a 2x2 Bedroom TQs with a further assistance of \$12,000.00 to complete the project</p> <p>Project Completed</p> <p>MEHA Initiatives</p> <p>2015 – a further \$35,000.00 was given to the school to build an ablution block</p> <p>Project completed</p> <p>MEHA Initiatives</p> <p>2015 - \$30,000.00 was given to the school to build for an additional classroom</p> <p>Project yet to start – funds exhausted</p> <p>MEHA Initiatives</p>

Absence of Signed Agreement

Issue	Response
<p>21.6 The audit noted that the Ministry did not have a grant agreement for the grant of \$931,086 paid to Fiji Higher Education Commission.</p>	<p>-The MOA was prepared by the Ministry and Sent to SG's office for vetting on the 6 April 2016</p> <p>-However due to the change in the financial year and delay in vetting of the MOA, the Ministry was advised by the SG's office that the agreement will not be vetted and Ministry to submit a new MOA for the new Financial Year</p>

Administration of Free Education Grant

- ▶ **Details of Over-Expenditure for Exhausted Allocation for Free Education Grant**
 - ▶ Management and school heads training has been done systematically
 - ▶ Launch of New School Management Handbook 2017
 - ▶ Subsequent follow up training done
 - ▶ Recruitment of School Heads (JD and KPI) in 2017 and 2018
 - ▶ System development
- ▶ **Inconsistency in the audited financial statements format**
 - ▶ Check that identified schools were audited by the MEHA audit team
- ▶ **Detail of Variance between FEMIS Report and Payment Voucher Records**
 - ▶ Incorrect by OAG.
 - ▶ Term 3 2015, the Ministry did not use FEMIS for class audits as manual forms were still being used
 - ▶ The FEMIS student roll was being tested at schools for FEG purposes

Anomalies in Accountable Advance

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21.10 Late retirement of Accountable Advances	<p>21.10 Ministry has reviewed the advances and all necessary deductions have been done. Ministry now strictly monitors the accountable advances and timely deduction are being implemented.</p> <table border="1" data-bbox="945 676 2201 1319"> <thead> <tr> <th>Date of Issue</th> <th>EDP No</th> <th>Details</th> <th>Response</th> </tr> </thead> <tbody> <tr> <td>12/2/2016</td> <td>91073</td> <td>Sigatoka National Book Drive</td> <td>Deduction Implemented</td> </tr> <tr> <td>18/2/2016</td> <td>53840</td> <td>DISMAC Duties</td> <td>Deduction Implemented</td> </tr> <tr> <td>26/2/2016</td> <td>82374</td> <td>West Trip</td> <td>Deduction Implemented</td> </tr> <tr> <td>22/2/2016</td> <td>57534</td> <td>TC Winston Damage Assessment</td> <td>Deduction Implemented</td> </tr> <tr> <td>22/2/2016</td> <td>65276</td> <td>Koro Island Sch Damage Assessment</td> <td>Deduction Implemented</td> </tr> <tr> <td>7/3/2016</td> <td>57787</td> <td>TC Winston Damage Assessment</td> <td>Deduction Implemented</td> </tr> <tr> <td>9/3/2016</td> <td>57508</td> <td>TC Winston Textbook Delivery</td> <td>Deduction Implemented</td> </tr> <tr> <td>29/2/2016</td> <td>74157</td> <td>DISMAC Assesment Nadroga/Navosa</td> <td>Deduction Implemented</td> </tr> <tr> <td>11/3/2016</td> <td>56895</td> <td>Commonwealth Meeting</td> <td>Deduction Implemented</td> </tr> <tr> <td>22/3/2016</td> <td>67739</td> <td>DISMAC to Koro Island</td> <td>Deduction Implemented</td> </tr> <tr> <td>24/3/2016</td> <td>55051</td> <td>Trauma Counselling Program</td> <td>Deduction Implemented</td> </tr> <tr> <td>26/4/2016</td> <td>66603</td> <td>Book Writters Meeting</td> <td>Deduction Implemented</td> </tr> <tr> <td>11/7/2016</td> <td>63288</td> <td>Scoping work for 272 Schools</td> <td>Deduction Implemented</td> </tr> </tbody> </table>	Date of Issue	EDP No	Details	Response	12/2/2016	91073	Sigatoka National Book Drive	Deduction Implemented	18/2/2016	53840	DISMAC Duties	Deduction Implemented	26/2/2016	82374	West Trip	Deduction Implemented	22/2/2016	57534	TC Winston Damage Assessment	Deduction Implemented	22/2/2016	65276	Koro Island Sch Damage Assessment	Deduction Implemented	7/3/2016	57787	TC Winston Damage Assessment	Deduction Implemented	9/3/2016	57508	TC Winston Textbook Delivery	Deduction Implemented	29/2/2016	74157	DISMAC Assesment Nadroga/Navosa	Deduction Implemented	11/3/2016	56895	Commonwealth Meeting	Deduction Implemented	22/3/2016	67739	DISMAC to Koro Island	Deduction Implemented	24/3/2016	55051	Trauma Counselling Program	Deduction Implemented	26/4/2016	66603	Book Writters Meeting	Deduction Implemented	11/7/2016	63288	Scoping work for 272 Schools	Deduction Implemented
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Anomalies in Accountable Advance 2

Issue	Response
21.11 Accountable Advance charged directly to Expense Allocation	<p>21.11 Ministry has improved its processes and now all advances are being done through the accountable advance allocation instead of the direct expense allocation</p> <p>- Ministry no longer uses the direct expense allocation since January 2017</p>

Anomalies in Accountable Advance 3

Issue	Response																
21.13 Accountable Advance partially cleared	<p>21.13 the amounts stated as unaccounted in table 21.13 are the receipts for which the officers have paid as cash, therefore the acquittals are fully received and retired</p> <table border="1" data-bbox="889 873 2359 1348"><thead><tr><th data-bbox="889 873 1123 983">EDP</th><th data-bbox="1123 873 1327 983">Amount</th><th data-bbox="1327 873 1628 983">Unaccounted</th><th data-bbox="1628 873 2359 983">Remarks</th></tr></thead><tbody><tr><td data-bbox="889 983 1123 1112">56946</td><td data-bbox="1123 983 1327 1112">\$471.00</td><td data-bbox="1327 983 1628 1112">\$445.00</td><td data-bbox="1628 983 2359 1112">Deduction in place</td></tr><tr><td data-bbox="889 1112 1123 1233">44028</td><td data-bbox="1123 1112 1327 1233">\$2,100.00</td><td data-bbox="1327 1112 1628 1233">\$535.86</td><td data-bbox="1628 1112 2359 1233">Receipt # 586423</td></tr><tr><td data-bbox="889 1233 1123 1348">55739</td><td data-bbox="1123 1233 1327 1348">\$5,555.00</td><td data-bbox="1327 1233 1628 1348">\$335.30</td><td data-bbox="1628 1233 2359 1348">Receipt # 586408</td></tr></tbody></table>	EDP	Amount	Unaccounted	Remarks	56946	\$471.00	\$445.00	Deduction in place	44028	\$2,100.00	\$535.86	Receipt # 586423	55739	\$5,555.00	\$335.30	Receipt # 586408
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Backlog Audited Accounts for Grant Recipients

Issue	Response
<p>21.9 The audit noted that the grant recipients have not submitted the audited accounts and acquittals to the Ministry of Education, Heritage and Arts</p>	<p>Fiji Museum Update: 2006 – 2009 – audit completed but no verification. Auditor requested to proceed with finalizing. 2010 – 2014 – Files with FICAC 2015 – 2017 – internal updating of accounts completed. Awaiting Museum auditors to conduct audit.</p> <p>Fiji Arts Council: - still working on compiling the documents for audit of accounts.</p>