



**SECOND AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE FOR
DEVELOPMENT IMPACT PROJECT
GRANT NO. IDA – 5350 – PROJECT REFERENCE ACE/IMPACT/CS/008**

**REPUBLIC OF THE GAMBIA- MINISTRY OF HIGHER EDUCATION, RESEARCH,
SCIENCE & TECHNOLOGY**

**MANAGEMENT LETTER REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2024**

**AUGUSTUS PROM
AUDIT. TAX. ADVISORY.
REGISTERED AUDITORS**

**OFF BERTIL HARDING HIGHWAY
BAKAU, KSMD
F899 + G6H
P.O BOX 587
THE GAMBIA**

FEBRUARY 2025



Off Bertil Harding Highway, Bakau, P O Box 587, The Gambia - Telephone (220) 4494121/4492126/4494104
E-mail: admin@augustusprom.com www.augustus-prom.gm

IN CONFIDENCE

REF: AP/C/822/25(08)

12th February 2025

Chairman
Project Steering Committee (PSC)
Secondary Africa Higher Education Centers of Excellence for Development Impact Project
Ministry of Basic and Secondary Education
Willy Thorpe Building
Ecowas Avenue
Banjul
The Gambia

Dear Sir,

**Second Africa Higher Education Centers of Excellence for Development Impact Project
Management Letter Report for the Year Ended 31st December 2024**

We have completed the audit of the Project's Financial Statements for the year ended 31st December 2024 and wish to bring to your attention the following audit observations and implications. The recommendations suggested are for management action aimed at improving the Project's operations, accounting and internal controls systems, level of compliance etc.

We wish to inform you that the purpose of the audit is to enable us to express our professional and independent opinion on the Financial Statements presented to us by the Project Management Team to audit. Such an audit should not be relied upon to disclose all defalcations or other irregularities that may exist in your systems, but where such exist and are discovered during the course of our audit, they would be disclosed.

Please accept the Firm's gratitude for the cooperation accorded to us by your management team and staff during the conduct of the audit exercise.

Should you require additional information on the matters raised, please do not hesitate to contact us.

Yours Faithfully,



.....
AUGUSTUS PROM (AP)
AUDIT.TAX.ADVISORY.
REGISTERED AUDITORS



Table of Contents

No.	Description	Pages
	Prioritization on Audit Findings	4
1	Cash & Cash Equivalent	5
2	Withholding Tax	6
3	Vehicle Insurance	7
4	Internal Audit	8
5	Environmental & Social Management	10
6	Contract with KNUST	11
7	Appraisal on HOD	13
8	Workshop Catering – Single Sourcing Procurement	14
9	Review on the Implementation Status on Previous Period Findings	16



Prioritisation of Audit Findings

The objective of the management letter report is to communicate appropriately to those charged with governance and management on information gathered in the course of the audit to give added value to the client.

The management letter is used to communicate with those charged with governance focusing on the following:

- *Weaknesses within the internal controls system that could lead to material losses or misstatements in the financial statements;*
- *Efficiencies to be made, to improve the overall performance of the organization;*
- *Failure to comply with policies, laws, regulations and laid down procedures;*
- *Issues to be addressed which would enable the audit to run more smoothly.*

The findings which are stated in the management letter are categorised into a system of grading to enable management to better prioritise implementation of recommendations emanating from audit findings during the audit.

The observations raised during the audit are categorised into three different grades. The grades are as follows:

Grade	Risk Level	Description
Grade 1	High Risk	<i>These are findings that are particularly significant and the urgent involvement of management may be required for their resolution.</i>
Grade 2	Medium Risk	<i>These are findings that may have significant impact on the control environment or financial systems which can have a negative impact on operations within the project.</i>
Grade 3	Low Risk	<i>Weaknesses which have a lower level of risk, but are possibly indicative of a loss of control and require attention because it could lead to consequences that could be avoided.</i>

1. Cash & Cash Equivalent

GRADE 2

1.1 Observation

During our closing balance test on the year end closing bank balances, we noted differences between the actual cash book balance after all transactions and the closing cash book balance in the bank reconciliation statements as follows;

Account name	Balance as per cash book (USD)	Balance as per bank reconciliation statement (USD)	Difference (USD)
IDA DLI Designated a/c	20,823.02	19,663	1,160
IDA Designated a/c	176,039.84	178,293	2,254

1.2 Implication

The discrepancy between the cash book balance and the bank reconciliation statement may lead to inaccurate financial reporting, affecting decision-making. If left unresolved.

Discrepancies between cash book records and actual bank balances can create difficulties in monitoring available funds. This can result in miscalculations due to using wrong year end balances.

1.3 Recommendation

The finance team should conduct a thorough review to identify the root cause of the difference between the cash book and the bank reconciliation statement. This should involve reviewing all transactions, verifying supporting documents, and identifying any missing or erroneous entries.

1.4 Management Response

Management has reviewed the difference which is mainly due to a system error not picking all year end uncleared bank transactions. We have engagement the software providers to address the issue and this will be resolved during the FY2025 Audit.

2. Withholding Tax – Late Payment of Withholding Tax

GRADE 1

2.1 Observation

Section 94 of the Income & Value Added Tax Act (2012) states that Tax Withheld should be paid to the Commissioner General within 15 days after the end of the month i.e. 15th of the following month. During our review on tax withheld payments,

PV Date	Details	Amount (GMD)	Payment Date
08/07/24	Withholding Tax for Jan to June 24	52,600	<i>Paid on the 24th Sep. 2024</i>
16/09/24	Withholding Tax for July to August 24	49,033.59	<i>Paid on the 29th Sep. 2024</i>
18/10/24	Withholding Tax August to September 24	388,677	<i>Paid on the 16th October 2024</i>
15/11/24	Withholding Tax for October and November 24	234,450	<i>Paid on the 18th November 2024</i>
31/12/24	Withholding tax for December 2024	1,377	<i>Paid on the 20th January 2025</i>

2.2 Implication

Failure to withhold and remit taxes as required by Section 94 of the Income & Value Added Tax Act (2012) constitutes non-compliance. This may lead to penalties, interest charges on the project leading to financial losses.

2.3 Recommendation

Management should ensure all tax withheld is paid before the 15th of the following month to be in compliance with Section 94 of the Income & Value Added Tax Act (2012).

2.4 Management Response

The PCU commenced the deduction of withholding of TAX from payments made to Consultants, Contractors and other service provider in June 2024 after the recommendation of the Auditors and consultation we had with the Ministry of Finance Tax Department. The PCU will ensure that all tax deductions are paid before the 15th of the following month.

The PCU will ensure that all tax deductions are paid to GRA on or before the 15th of the following month.

3. Vehicle Insurance

GRADE 2

3.1 Observation

Upon our review on the vehicle insurance on project vehicles, we noted the following vehicles with outdated insurance in 2024 as follows;

Vehicles	Periods Cover by Insurance	Period with no Insurance cover
WB ACE 01 TA	12/01/22-11/01/23	From 12 th Jan 2023 to 31 st December 2024
WB ACE 02 TA	05/07/23-04/07/24	From 5 th July 2024 to 31 st December 2024
WB ACE 03 TA	05/07/23-04/07/24	From 5 th July 2024 to 31 st December 2024

3.2 Implication

Operating project vehicles with expired insurance violates legal and regulatory requirements. Furthermore, outdated insurance increases risk exposure for the organization, as any damages, theft, or loss of the vehicle will not be covered by the insurer, leading to direct financial losses.

3.3 Recommendation

The finance or administration team should immediately renew insurance policies for all project vehicles to ensure compliance and continuous coverage. Furthermore, management should implement a system to track vehicle insurance expiration dates and set automatic reminders to ensure timely renewal and avoid lapses in coverage.

3.4 Management Response

This was an oversight and well noted observation. The insurance for the vehicles would be paid immediately. We will ensure a tracker is in place to monitor the expiration of insurance policy for vehicles and also get the Insurance Company send in notification.

4. Internal Audit

GRADE 1

4.1 Observation

The following was noted during our review on the Internal Audit aspect of the project.

1. Internal Audit Reviews

In line with the project appraisal document for the ACE Project, an effective internal audit should be in place which will include transactional reviews and also ensuring the control environment is satisfactory. We requested for the internal audit reports for FY24 but none was provided by the project.

2. Internal Audit Committee

In line with the project appraisal document, audit committees are essential to ensure that audit issues are brought to high level attention and addressed. We requested for Audit Committees in 2024 and we were only provided with one meeting minutes dated November 2024 covering the 12 month period which is on the low side to ensure objectives are achieved.

4.2 Implication

1. Internal Audit Reviews

Internal audit report not provided implies that no internal audit review were done during the period under review. The absence of internal audit reviews suggests a lack of proper controls, which may lead to inefficiencies, unauthorized transactions, and non-compliance with financial regulations.

2. Internal Audit Committee

With only one audit committee meeting held in 2024, there is limited oversight on internal audit findings, increasing the risk of unresolved financial and operational issues. Donors and project stakeholders may view the infrequent meetings as a sign of weak governance and financial mismanagement.

4.3 Recommendation

The project should establish a structured internal audit process that includes regular transactional reviews and periodic reporting to management and the Audit Committee. The audit committee should meet at least quarterly to ensure timely oversight of internal and external audit issues, financial risks, and compliance matters.

4.4 Management Response

The project signed a MOU with the Ministry of Finance, Internal Audit Directorate to perform the internal audit functions of the project. It is unfortunate that the Directorate of Internal Audit were unable to perform their duties to conduct the internal audit exercise during the year 2024. The PCU has made several invitations and requests for them to commence the audit exercise but to no avail. The Audit Committee will endeavor to meet more than once in a financial year.

The PCU is presently requesting for clearance and no objection from the Bank to engage an independent Audit firm to perform the exercise of Internal Audit functions of the project. We also received a notification from the Internal Audit Directorate to conduct the Internal Audit exercise before the end of first quarter of 2025. We will also ensure that the Audit Committee meets at least twice in the year.

5. Environmental & Social Monitoring

GRADE 2

5.1 Observation

A review was done on the level of Environment and Social Monitoring by the project and we were only provided with 1st Quarter Report (Jan to March 2024) and 4th Quarter (October to December) for the 12 month period which exposes the project to poor monitoring on environment and social impacts during project implementation further leading to a risk of noncompliance with the World Bank Safeguarding policies.

5.2 Implication

The absence of regular monitoring reports suggests inadequate tracking of environmental and social impacts, increasing the likelihood of unresolved issues affecting communities and ecosystems.

Failure to monitor social impacts could result in unresolved community concerns, labor disputes, and displacement issues, leading to reputational damage and potential project disruptions.

5.3 Recommendation

The project team should adhere to a structured reporting schedule, ensuring that environmental and social monitoring reports are prepared and submitted for all four quarters of the year.

A dedicated environmental and social monitoring framework should be established, defining clear indicators, reporting timelines, and responsibilities.

5.4 Management Response

The Environmental and Social Safeguard specialist resigned from the PCU in the first quarter of 2024. This created a big gap in the Unit and lead to the non-submission of the two quarter reports. USET had already identified an Officer who will provide the function.

The USET Officer will now take over the role of the Environmental and Social Safeguard functions till the end of the project life. He will be receiving support from the Social Safeguard from the RISE project under Ministry of Finance.

6. Consultancy with KNUST

GRADE 1

6.1 Observation

On the 18th September 2020, a contract was entered between Gambia Technical Training Institute (GTTI) and the Kwame Nkrumah University (KNUST) Ghana amounting to USD2.751 Million over a 4 year period to support in the transformation of GTTI into a University of Science, Engineering and Technology (USET) through the ACE Impact Project. As at 31st December 2024, a total amount of USD2.186 Million has been paid out of the USD2.751 Million. The following was noted;

A. Consultancy Period

The period is from 18th September 2020 for a 4 years period which ends as at 18th September 2024 covering the 4 years period. We noted there was no addendum covering the period after 30th September 2024 to date taking into account they are still providing service.

B. Quality Assurance Unit

Under the Consultancy agreement, we noted work package 3 which is the Administrative Support totalling to USD187,500 over the 4 year period which they have been invoicing as they are progressing. We noted a key deliverable is the Quality Assurance and Planning Unit which is key for such an institution in the education sector. We requested for such evidence on work done in this area but it was confirmed that work has not been done for this and taking into account the 4 year period has ended.

6.2 Implication

A. Consultancy Period

The absence of an addendum extending the consultancy period beyond 30th September 2024 could result in non-compliance with the original contract terms, as the scope of services may be unclear post-expiration. Without a valid contract extension, there is a risk that the services provided by KNUST may be interrupted, impacting the progress and successful completion of the transformation project at GTTI.

B. Quality Assurance Unit

The lack of progress on the Quality Assurance and Planning Unit undermines the success of the project, as this is a critical component for ensuring the institution's quality and operational standards in the education sector.

6.3 Recommendation

A. Consultancy Period

Management should urgently engage with KNUST to draft and sign an addendum to the original contract, extending the consultancy period to ensure continuity of services. The addendum should clearly outline the scope of services, timelines, and deliverables for the period following 30th September 2024, ensuring that both parties are aligned on expectations.

B. Quality Assurance Unit

Management should review the terms of the consultancy agreement with KNUST to assess why the Quality Assurance and Planning Unit has not been delivered, and explore possible contractual remedies. Management should prioritize the creation of the Quality Assurance and Planning Unit considering its importance.

6.4 Management Response

The project recently engaged KNUST on the need to extend the contract during which the issue of the addendum was discussed and the pending activities including the quality assurance component. Two options are being considered: either we include the quality assurance in the addendum or deduct the funds allocated to it in the initial contract. The project management team will contact KNUST and finalize the issue of the addendum and the content thereof.

7. Appraisals on Head of Departments

GRADE 1

7.1 Observation

Part of the project includes recruiting various head of departments as consultants that were recruited through the procurement process to support the USET from July 2023 to July 2025 with monthly payments of USD3,000. We requested for evidence of annual appraisals to ensure they are delivering in line with deliverables and expectations but it was confirmed that appraisals was not done on the various heads. The following was noted;

Professor Sampson Oduro Kwarteng – Head of Civil Engineering – **No Appraisal**

Engr. Prof. Cajethan Maduabuchi Nwosu – Head of Electrical/Electronic Eng. – **No Appraisal**

Albert Kojo Sunnu – Head of Mechanical Engineering – **No Appraisal**

7.2 Implication

The absence of annual appraisals for the recruited heads of departments raises concerns about whether the consultants are meeting their deliverables and contributing effectively to the project's goals. The lack of appraisals diminishes the consultants' accountability for their work, as they are not formally assessed or held to performance standards, potentially affecting the quality of their contributions.

7.3 Recommendation

Management should immediately implement a formal appraisal process for all consultants, including the heads of departments, to assess their performance and ensure alignment with project deliverables. Specific KPIs should be established for each head of department, focusing on measurable outcomes and project milestones, to ensure performance is effectively monitored.

7.4 Management Response

A formal appraisal performance was not conducted and documented. The responsibilities and performance are been monitored by USET management and the National Steering Committee. The performance appraisal for each Head of Department will be done immediately and henceforth it will be done on an annual basis.

8. Workshop Catering

GRADE 2

9.1 Observation

During the period under review, we noted the catering services was singled sourced for the following workshops with Pa Seedia Gassama Caterers due to him being the caterer for the Hall being utilized by USET. We requested for evidence of this communication and an approval from the Project Steering Committee to process with the single sourcing but this was not provided.

We requested for the Procurement Framework Agreement to review the agreed terms on such arrangement but this was not provided by the project for our review. We noted the following payments;

Date	Details	Amount (USD)	Amount (GMD)	Findings
17.12.2024	Catering Services for Workshops by USET	5,998	374,625	Only 1 invoice from Pa Seedia Gassama
05.12.2024	Catering Services for Workshops by USET	6,834	425,250	Only 1 invoice from Pa Seedia Gassama
07.11.2204	Catering Services for Workshops by USET	5,901	366,750	Only 1 invoice from Pa Seedia Gassama

8.2 Implication

The single-sourcing of catering services without appropriate documentation or approval from the Project Steering Committee constitutes a violation of established procurement procedures, which typically require competitive bidding or documented justification for single sourcing.

The absence of evidence showing approval from the Project Steering Committee and the missing Procurement Framework Agreement limits accountability, as no formal documentation supports the decision to proceed with the single-sourcing arrangement.

8.3 Recommendation

The project should immediately review its procurement procedures to ensure that all sourcing, including catering services, follows proper guidelines and receives documented approval from the Project Steering Committee.

All procurement decisions, including those for single-sourced services, should be thoroughly documented, with clear justifications for the choices made, and maintained for audit and review purposes.

8.4 Management Response

Pa Seedia Gassama is the sole caterer for NANA's hall. The hiring of NANA hall goes with catering service and Pa Seedia Gassama is their sole caterer for every event held in the hall. The observation is well noted and the PCU will ensure that the necessary procurement documents are made available to the Auditors timely. Management will ensure that documentations request from Auditors are treated with urgency and made available to them.

9. Review on the Implementation Status on Previous Period Findings

Details	Audit Observation	Year Reported	Current Status	Auditor's Remarks																																				
Withholding Tax – Non Deduction of Withholding Tax	Section 89 of the Income & Value Added Tax Act.2012 states that a person who retains the service of a contractor or subcontractor to carry out work, or supply labour or materials for carrying out work shall withhold tax at the rate of 10% of gross fees or other payments made to the contractor or subcontractor in respect of services. We noted the project has not been deducting withholding tax implying a lack of compliance to the Tax Act. We noted the following payments in which 10% (Local) and 15% (International Suppliers) was not retained;	31 st December 2022	Not implemented	We noted major contracts in which tax was not withheld during the period.																																				
	<table><tr><th>Date</th><th>Details</th><th>Payee</th><th>Amount(USD)</th><th>PV REF</th><th>Ledger</th></tr><tr><td>06/01/23</td><td>Payment for catering services provided for the ace regional conference</td><td>NIRO COMPANY LIMITED</td><td>15,973.36</td><td>1NV3</td><td>70610</td></tr><tr><td>03/04/23</td><td>Construction of Center of Excellence Brikama GTTI</td><td>Krubally Construction Company</td><td>3,661.45</td><td>31</td><td>71101</td></tr><tr><td>26/05/23</td><td>Payment for Purchase of Laboratory equipment for USET engineering program</td><td>GRAIDCO GLOBAL RELIEF AID DEVELOPMENT COMPANY</td><td>414,757.03</td><td>66</td><td>71701</td></tr><tr><td>19/12/23</td><td>Construction of USET Centers</td><td>Krubally Construction Company</td><td>609,225.32</td><td>82</td><td>71101</td></tr><tr><td>29/12/23</td><td>catering for Sector Monitoring</td><td>Pa Seedia Gassama</td><td>5,368.10</td><td>118</td><td>70610</td></tr></table>				Date	Details	Payee	Amount(USD)	PV REF	Ledger	06/01/23	Payment for catering services provided for the ace regional conference	NIRO COMPANY LIMITED	15,973.36	1NV3	70610	03/04/23	Construction of Center of Excellence Brikama GTTI	Krubally Construction Company	3,661.45	31	71101	26/05/23	Payment for Purchase of Laboratory equipment for USET engineering program	GRAIDCO GLOBAL RELIEF AID DEVELOPMENT COMPANY	414,757.03	66	71701	19/12/23	Construction of USET Centers	Krubally Construction Company	609,225.32	82	71101	29/12/23	catering for Sector Monitoring	Pa Seedia Gassama	5,368.10	118	70610
	Date				Details	Payee	Amount(USD)	PV REF	Ledger																															
	06/01/23				Payment for catering services provided for the ace regional conference	NIRO COMPANY LIMITED	15,973.36	1NV3	70610																															
	03/04/23				Construction of Center of Excellence Brikama GTTI	Krubally Construction Company	3,661.45	31	71101																															
	26/05/23				Payment for Purchase of Laboratory equipment for USET engineering program	GRAIDCO GLOBAL RELIEF AID DEVELOPMENT COMPANY	414,757.03	66	71701																															
	19/12/23				Construction of USET Centers	Krubally Construction Company	609,225.32	82	71101																															
29/12/23	catering for Sector Monitoring	Pa Seedia Gassama	5,368.10	118	70610																																			

REF NO	SUPPLIER	DETAILS	AMOUNT			
			GMD			
4	50001 - SAMPOO	Remuneration fee for January – Foreign Lecturers	734,880.00			
12	50001 - SAMPOO	Consultancy fee for February – Foreign Lecturers	730,440.00			
12	50001 - SAMPOO	Consultancy fee for February – Foreign Lecturers	737,160.00			
24	50001 - SAMPOO	Consultancy fee for March 2023 – Foreign Lecturer	740,760.00			
70	50001 - FENTA	Consultancy for supervision of works USET	410,050.00			
72	50001 - DEMUNIV	Part settlement of invoice	5,952,000.00			
74	50001 - SAMPOO	Consultancy fee for June	714,240.00			
80	50001 - PSOK	Consultancy fee November - December 2023	357,120.00			
83	50001 - AKS	Consultancy fee August - December	892,800.00			
84	50001 - SAMPOO	Consultancy fee October - December	2,142,720.00			
86	50001 - DEMUNIV	Settlement of invoice	11,904,000.00			
PV 95	10402	USET Administrator consultancy fee for July 2023	714,240.00			

Fuel Retirements	<p>As at 31st December 2023, the total amount spent on fuel totaled to USD15,480, the following was noted during our review on the fuel;</p> <p>A. Incomplete Retirements</p> <p>We noted the following fuel purchased and during our review on the fuel retirements, the following was noted;</p> <table><tr><th>Date</th><th>Amount Procured</th><th>PV Ref</th><th>Finding</th></tr><tr><td colspan="4">Fuel Supplied to MOHERST</td></tr><tr><td>24.01.2023</td><td>GMD500,000/USD8,230</td><td>INV8</td><td>Retirements were provided for this fuel procured but we were only provided with a log book showing a total utilization of GMD150,000 leaving a difference of GMD350,000 to be retired for our review.</td></tr></table>	Date	Amount Procured	PV Ref	Finding	Fuel Supplied to MOHERST				24.01.2023	GMD500,000/USD8,230	INV8	Retirements were provided for this fuel procured but we were only provided with a log book showing a total utilization of GMD150,000 leaving a difference of GMD350,000 to be retired for our review.	31 st December 2022	Implemented	This has been addressed by management
	Date	Amount Procured	PV Ref	Finding												
Fuel Supplied to MOHERST																
24.01.2023	GMD500,000/USD8,230	INV8	Retirements were provided for this fuel procured but we were only provided with a log book showing a total utilization of GMD150,000 leaving a difference of GMD350,000 to be retired for our review.													
	<p>B. Fuel Supplied to USET</p> <p>On the 15th March 2024, an amount of GMD300,000/USD4,883.61 was supplied to USET. The following was noted;</p> <table><tr><th>Details</th><th>Findings</th></tr><tr><td>Running Balance</td><td>Upon our review on the fuel log book monitoring the utilization, we noted there is no column for running balance.</td></tr><tr><td>Fuel Allocation Policy</td><td>We requested for the fuel allocation policy to assess the basis of allocation but It was confirmed that a fuel allocation policy is not maintained.</td></tr></table>	Details	Findings	Running Balance	Upon our review on the fuel log book monitoring the utilization, we noted there is no column for running balance.	Fuel Allocation Policy	We requested for the fuel allocation policy to assess the basis of allocation but It was confirmed that a fuel allocation policy is not maintained.	31 st December 2022	Implemented	This has been addressed by management						
Details	Findings															
Running Balance	Upon our review on the fuel log book monitoring the utilization, we noted there is no column for running balance.															
Fuel Allocation Policy	We requested for the fuel allocation policy to assess the basis of allocation but It was confirmed that a fuel allocation policy is not maintained.															

Receipts	<p>We noted the following payments in which receipts or evidence of acknowledgement was not seen in file as follows;</p> <table><tr><th>Date</th><th>Ref. No</th><th>Detail</th><th>Amount (GMD)</th></tr><tr><td colspan="4">71302 Travel reimbursable</td></tr><tr><td>21/12/2023</td><td>PV 94</td><td>Air Ticket for KNUST lecturers</td><td>770,000</td></tr><tr><td colspan="4">71202 Teach Programme Engineering</td></tr><tr><td></td><td>INV 27</td><td>Teaching staff Undergrad Engineering Programme at USET 1st semester1 22/23 academic year</td><td>14,241,157.56</td></tr><tr><td colspan="4">70303 International consultancies</td></tr><tr><td></td><td>70</td><td>Consultancy for supervision work USET Fenta</td><td>410,050</td></tr><tr><td></td><td>72</td><td>part settlement of Invoice DemUni</td><td>5,952,000</td></tr><tr><td></td><td>86</td><td>Settlement of Invoice</td><td>11,904,000</td></tr><tr><td></td><td>95</td><td>USET Administrator consultancy fee for July 2023</td><td>714,240</td></tr></table>	Date	Ref. No	Detail	Amount (GMD)	71302 Travel reimbursable				21/12/2023	PV 94	Air Ticket for KNUST lecturers	770,000	71202 Teach Programme Engineering					INV 27	Teaching staff Undergrad Engineering Programme at USET 1st semester1 22/23 academic year	14,241,157.56	70303 International consultancies					70	Consultancy for supervision work USET Fenta	410,050		72	part settlement of Invoice DemUni	5,952,000		86	Settlement of Invoice	11,904,000		95	USET Administrator consultancy fee for July 2023	714,240	31 st December 2022	Implemented	This has been addressed by management
Date	Ref. No	Detail	Amount (GMD)																																									
71302 Travel reimbursable																																												
21/12/2023	PV 94	Air Ticket for KNUST lecturers	770,000																																									
71202 Teach Programme Engineering																																												
	INV 27	Teaching staff Undergrad Engineering Programme at USET 1st semester1 22/23 academic year	14,241,157.56																																									
70303 International consultancies																																												
	70	Consultancy for supervision work USET Fenta	410,050																																									
	72	part settlement of Invoice DemUni	5,952,000																																									
	86	Settlement of Invoice	11,904,000																																									
	95	USET Administrator consultancy fee for July 2023	714,240																																									
Travel Clearance	<p>During our review on Travel Clearances, we noted the following personnel were paid per diem but the clearance was not attached. We only saw the request for clearance but the approval was not in file;</p> <table><tr><th>Date</th><th>Details</th><th>PAYEE</th><th>Amount (USD)</th><th>PV Ref</th><th>Ledger</th></tr><tr><td>17/02/23</td><td>Perdiem to attend workshop in cotonou Benin</td><td>Fatou Janneh</td><td>1,217.29</td><td>13</td><td>70211</td></tr><tr><td>17/02/23</td><td>Perdiem to attend workshop in cotonou Benin</td><td>Ousman Sillah</td><td>1,217.29</td><td>14</td><td>70211</td></tr></table>	Date	Details	PAYEE	Amount (USD)	PV Ref	Ledger	17/02/23	Perdiem to attend workshop in cotonou Benin	Fatou Janneh	1,217.29	13	70211	17/02/23	Perdiem to attend workshop in cotonou Benin	Ousman Sillah	1,217.29	14	70211	31 st December 2022	Implemented	This has been addressed by management																						
Date	Details	PAYEE	Amount (USD)	PV Ref	Ledger																																							
17/02/23	Perdiem to attend workshop in cotonou Benin	Fatou Janneh	1,217.29	13	70211																																							
17/02/23	Perdiem to attend workshop in cotonou Benin	Ousman Sillah	1,217.29	14	70211																																							

Procurement – Request for Quotation	<p>The following was noted during our review on procurement;</p> <p>1. Procurement for Air Tickets</p> <p>We noted the following Air Ticket purchase of GMD770,000 with only 1 invoice attached and no evaluation report provided for review;</p> <table><tr><th>Date</th><th>Ref. No</th><th>Detail</th><th>Amount (GMD)</th></tr><tr><td>21/12/2023</td><td>PV 94</td><td>Air Ticket for KNUST lecturers</td><td>770,000</td></tr></table>	Date	Ref. No	Detail	Amount (GMD)	21/12/2023	PV 94	Air Ticket for KNUST lecturers	770,000	31 st December 2022	Currently being implemented	This is currently being addressed by management.										
	Date	Ref. No	Detail	Amount (GMD)																		
21/12/2023	PV 94	Air Ticket for KNUST lecturers	770,000																			
	<p>2. Request for Quotation</p> <p>Upon our review on the request for quotation process, we noted invitations are sent to suppliers to respond on a particular date sending it to the project coordinator. We requested for the incoming mail log to trace the following quotations and ensure there is adequate duty segregation in the RFQ Process but it was confirmed that the incoming quotations are not logged;</p> <table><tr><th>Date</th><th>Details</th><th>PAYEE</th><th>Amount (USD)</th><th>PV Ref</th><th>Ledger</th></tr><tr><td>06/01/23</td><td>Payment for the catering services provided for the ACE Regional Conference</td><td>Niro</td><td>15,973.36</td><td>3</td><td>70610</td></tr><tr><td>29/12/23</td><td>Catering for sector monitoring and Evaluation</td><td>Pa Seedia Gassama</td><td>5,368.10</td><td>118</td><td>70610</td></tr></table>	Date	Details	PAYEE	Amount (USD)	PV Ref	Ledger	06/01/23	Payment for the catering services provided for the ACE Regional Conference	Niro	15,973.36	3	70610	29/12/23	Catering for sector monitoring and Evaluation	Pa Seedia Gassama	5,368.10	118	70610	31 st December 2022	Not Implemented	This has not been addressed by management.
Date	Details	PAYEE	Amount (USD)	PV Ref	Ledger																	
06/01/23	Payment for the catering services provided for the ACE Regional Conference	Niro	15,973.36	3	70610																	
29/12/23	Catering for sector monitoring and Evaluation	Pa Seedia Gassama	5,368.10	118	70610																	

Purchase of Lab Equipment's for USET Engineering Programme	<p>In 2023, we noted a contract was awarded to GRAIDCO for the supply of Lab equipment totaling an amount of USD2.073 Million after going through the bidding process. Upon our review of this contract, we noted the following;</p> <p>A. Lack of Compliance with Payment Terms</p> <p>Section 16.1 of the Contract states that the supplier should be paid 20% as advance payment, then 70% upon the submission of the shipping documents and the final 10% upon receipt of goods supported by the Acceptance Certificate issued by the Purchaser. The following was noted;</p> <p>i. Payment of 70% - USD1.451 Million – Delayed Payments</p> <p>In September 2023, the supplier submitted all documents to be paid the 70% amounting to USD1.451 Million but the project paid as follows;</p> <table><tr><th>Date</th><th>Amount USD</th><th>Comment</th></tr><tr><td>21st Dec 2023</td><td>600,000</td><td>The amount paid was USD600,000 leaving a balance of USD851,000</td></tr><tr><td>24th June 2024</td><td>600,000</td><td>The USD600,000 was paid out of the USD851,000 leaving a balance of USD251,000 still outstanding as at July 2024.</td></tr></table> <p>Our concern is that payments are excessively delayed and Section GCC16.5 of the Contract states that the “The Payment delay period after which the purchaser shall pay interest to the supplier after 60 days and the interest should be applied to 0.02</p> <p>ii. Payments not in line with the Contract</p> <p>Furthermore, management making payments not in line with the agreed payment terms in the contract is a deviation from the signed contract between the project and the Supplier.</p>	Date	Amount USD	Comment	21 st Dec 2023	600,000	The amount paid was USD600,000 leaving a balance of USD851,000	24 th June 2024	600,000	The USD600,000 was paid out of the USD851,000 leaving a balance of USD251,000 still outstanding as at July 2024.	31 st December 2022	Not Implemented	This has not been addressed by management
Date	Amount USD	Comment											
21 st Dec 2023	600,000	The amount paid was USD600,000 leaving a balance of USD851,000											
24 th June 2024	600,000	The USD600,000 was paid out of the USD851,000 leaving a balance of USD251,000 still outstanding as at July 2024.											

	<p>B. Warranty on Goods</p> <p>Section 28.3 of the Contract states that the warranty period cover should be 8760 Hours of Operation, or 12 months of acceptance or 16 months from the date of shipment whichever occurs earlier. Our concern is that we are into 12 months after the shipping and the machines supplied are not tested taking into account the warranty period expires 16 months after shipment which is 4 months away to an expired warranty period.</p> <p>Furthermore, GCC26.1 states that inspection and tests should be conducted at USET. We were not provided with evidence that this was done.</p>	31 st December 2022	Not Implemented	This has not been addressed by management
	<p>C. Performance Security</p> <p>Section 18.1 of the Contract states that the supplier is to provide a performance security of 10% of the Contract which is an amount of USD207,378. We noted this was provided by the supplier and expired on the 31st December 2023 without the project testing the machines etc supplied. In the event of faults and supplier not willing to change, it exposes the project to financial losses and defeats the purpose of obtaining performance guarantees at the contract award stage.</p>	31 st December 2022	Not Implemented	This has not been addressed by management

	<p>D. Insurance on the Goods</p> <p>During our verification, we noted the goods worth USD2.073 Million are kept in a warehouse. We requested for evidence of insurance against fire or unforeseen circumstances, but insurance was not provided.</p>	31 st December 2022	Not Implemented	This has not been addressed by management
	<p>E. Delivery Note</p> <p>During our review on the delivery process from the Supplier, we requested for a delivery note or a goods received note which was provided but the provided delivery note was not signed.</p>	31 st December 2022	Not Implemented	This has not been addressed by management
<p>Construction of the University Campus for the Centre of Excellence</p>	<p>In December 2022, a contract was signed with Krubally Construction for the construction of the University Campus for the Centre of Excellence amounting to a total amount of GMD255.268 Million after going through the bidding process. Upon our review on the Contract, the following was noted;</p> <p>A. Monitoring of Performance Securities</p> <p>Section GCC54.1 of the Contract states that performance security shall be provided being 10% of the contract amounting to GMD25.526 Million and the Advance Payment Guarantee of 20% at the contract signing stage amounting to GMD45.053</p>	31 st December 2022	Currently being implemented	This is currently being addressed by management.

	<table><tr><th>Security</th><th>Finding</th></tr><tr><td>Advance Payment Guarantee</td><td>The Advance payment was dated on the 27th Dec. 2022 to last for a period of 12 months up to 31st December 2023 amounting to GMD45.053. After the expiry of the advance payment guarantee, we were not provided with a renewed one taking into account that upon expiry, the advance payment was not repaid. We further noted the consultant (Fenta) wrote to the contractor reminding them of the expiry on the 6th February 2024 and the project also wrote on the 16th April 2024.</td></tr><tr><td>Performance Guarantee</td><td>The Performance guarantee was dated on the 27th Dec. 2022 to last for a period of 12 months up to 31st December 2023 amounting to GMD25.526 Million. After the expiry of the guarantee, we were not provided with a renewed one. We further noted the consultant (Fenta) wrote to the contractor reminding them of the expiry on the 6th February 2024 and the project also wrote on the 16th April 2024.</td></tr></table>	Security	Finding	Advance Payment Guarantee	The Advance payment was dated on the 27 th Dec. 2022 to last for a period of 12 months up to 31 st December 2023 amounting to GMD45.053. After the expiry of the advance payment guarantee, we were not provided with a renewed one taking into account that upon expiry, the advance payment was not repaid. We further noted the consultant (Fenta) wrote to the contractor reminding them of the expiry on the 6 th February 2024 and the project also wrote on the 16 th April 2024.	Performance Guarantee	The Performance guarantee was dated on the 27 th Dec. 2022 to last for a period of 12 months up to 31 st December 2023 amounting to GMD25.526 Million. After the expiry of the guarantee, we were not provided with a renewed one. We further noted the consultant (Fenta) wrote to the contractor reminding them of the expiry on the 6 th February 2024 and the project also wrote on the 16 th April 2024.			
Security	Finding									
Advance Payment Guarantee	The Advance payment was dated on the 27 th Dec. 2022 to last for a period of 12 months up to 31 st December 2023 amounting to GMD45.053. After the expiry of the advance payment guarantee, we were not provided with a renewed one taking into account that upon expiry, the advance payment was not repaid. We further noted the consultant (Fenta) wrote to the contractor reminding them of the expiry on the 6 th February 2024 and the project also wrote on the 16 th April 2024.									
Performance Guarantee	The Performance guarantee was dated on the 27 th Dec. 2022 to last for a period of 12 months up to 31 st December 2023 amounting to GMD25.526 Million. After the expiry of the guarantee, we were not provided with a renewed one. We further noted the consultant (Fenta) wrote to the contractor reminding them of the expiry on the 6 th February 2024 and the project also wrote on the 16 th April 2024.									
	<p>B. Late Payments to the Contractor by the Project</p> <p>A review was done on the timeliness of the payments to contractor after the work was certified by the consultants which means payment is due because the contract has achieved a certain level of completion which has been certified but we noted instances in which the project delayed payments of up to 5 months which could lead to major financial implications to the contract leading to poor quality of work and not delivering on time. The following was noted;</p>	31 st December 2022	Currently being implemented	This is currently being addressed by management.						

Payment Details	Payment Date	Payment Amount (GMD)	Comments or Finding			
Payment Certificate 04 - Confirmed by	19th Dec 2023	19,960,558	Certified on 24th July 23			
by consultants totalling to						
GMD19.960 Million			but project only paid GMD4 M on 4th Sep.			
			as advance and GMD6 Million on 11th Aug. 2023			
			and final balance on the 19th Dec which means it			
			took over 5 months before the contract received			
			total amount due			

<p>Contract with KNUST</p>	<p>On the 18th September 2020, a contract was entered between Gambia Technical Training Institute (GTTI) and the Kwami Nkrumah University (KNUST) Ghana amounting to USD2.751 Million over a 4-year period to support in the transformation of GTTI into a University of Science, Engineering and Technology (USET) through the ACE Impact Project. The following was noted;</p> <p>A. Payment of Invoices from KNUST</p> <p>On the 22nd March 2023, KNUST was paid an amount of USD229,068 for the Teaching Credit Hours for Semester 1 2022/2023 Academic Year totalling to 101 Credit Hours.</p> <p>We requested for the actual documents such as a time monitoring sheet/log, weekly signed off time sheets by the lecturers on lectures carried out to ascertain that the lecturers actually though all the credit hours as per the invoice but we were only provided with the timetable and travel itinerary. This limits our review to ascertain that the invoice hours to the project was the actual hours to minimize the risk of errors leading to Financial Losses.</p>	<p>31st December 2022</p>	<p>Not implemented</p>	<p>This has not been addressed by management.</p>
-----------------------------------	---	--------------------------------------	------------------------	---

	<p>B. Evaluation of KNUST Performance</p> <p>Considering the amount involved, the number of years involved and the various requirements to be done by KNUST, we would have expected an annual appraisal on their performance and to ensure deliverables are in line with expectations, but this was not provided.</p>	31 st December 2022	Not implemented	This has not been addressed by management.
	<p>C. Transition Plan</p> <p>The contract is for a period of 4 years and considering this is the final year under the contract, we would have expected a well details transition plan to ensure that KNUST will handover to USET with no obstacles to ensure the main objective of working with KNUST is achieved. We requested for a transition plan, but this was not available.</p>	31 st December 2022	Not implemented	This has not been addressed by management.

Grant Financing Agreement Compliance Review	<p>A Compliance review was done on the Financing Agreement for the project and the following was noted;</p> <p>A. Section A2 – Institutional Arrangement</p> <p>Section A2 of Financing Agreement states that The National Steering Committee is to hold Semi Annual Reviews of performance and implementation support for the project at National Level, including approvals of annual work programs and implementation planning. We requested for the National Steering Committee minutes but it was not provided and it was mentioned that there is only a Project Steering Committee which is a requirement of A1 in the Financing Agreement which is a lack of compliance to A2 of the Financing Agreement.</p>	31 st December 2022	Not implemented	This has not been addressed by management.
--	---	--------------------------------	-----------------	--

	<p>B. Section H1 – Grievance Redress Mechanism</p> <p>Section H1 of the Financing Agreement states that the Recipient shall cause the ACEs Higher Education Institutions to maintain, throughout Project implementation, and publicize the availability of a grievance redress mechanism, in form and substance satisfactory to the Association, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Association. During our visit to the ACEs Higher education Institution, we were unable to see publicized images of a grievance mechanism.</p> <p>Furthermore, we would have expected a grievance receipt and registration system to provided ways for stakeholders to register complaints and confirm they have been received but this is not in place during our review.</p>	31 st December 2022	Not implemented	This has not been addressed by management.
	<p>C. Section F1 – Project Implementation Plan</p> <p>Section F1 of the Financing Agreement states that the Recipient shall carry out the project in accordance with the Project Implementation Plan and the Environmental & Social Management Plan. We requested for the Environmental & Social Management Plan but this was not provided for our review.</p>	31 st December 2022	Not implemented	This has not been addressed by management.

Human Resource Management – Performance Evaluation	<p>During our review on the Human Resource Management aspect of the project, we requested for the performance evaluation for the following project staff but this was not provided;</p> <ul style="list-style-type: none"> - <i>Omar Ousman Jobe</i> - <i>Abdoulie FR Jadama</i> 	<p>31st December 2022</p>	<p>Not implemented</p>	<p>This has not been addressed by management.</p>
---	--	--------------------------------------	------------------------	---

End of Report