

AUDIT SERVICE

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23 June 2022

THE PROJECT DIRECTOR
AFRICA CENTRE OF EXCELLENCE IN COASTAL RESILIENCE (ACECOR)
UNIVERSITY OF CAPE COAST
CAPE COAST

REPORT ON THE PROCUREMENT AUDIT OF AFRICA CENTRE OF EXCELLENCE IN COASTAL RESILIENCE FOR THE PERIOD JANUARY TO DECEMBER 2021.

We have conducted procurement audit on procurements made by the Africa Centre of Excellence in Coastal Resilience for the period January to December 2021. We wish to bring to your attention our findings and recommendations made during the audit. We have discussed these matters with key personnel concerned whose comments and responses, where appropriate have been taken into account while preparing this management letter.

Key Personnel

2. The following officials managed the administrative and financial affairs of Africa Centre of Excellence in Coastal Resilience during the period review:

Name of officer	Position	Period
Prof. Denis W. Aheto	Center Director	January 2021 to December 2021
Dr. Precious Agbeko D. Mattah	Deputy Director	January 2021 to December 2021
Mr. Ekow Attom Prah	Administrator	January 2021 to December 2021

Mrs. Elizabeth Obese	Financial Management Coordinator	January 2021 to December 2021
Mr. Eric Kwesi Mensah	Accountant	January 2021 to December 2021
Mr. Nicholas Ampofo	Procurement Officer	January 2021 to December 2021
Mrs. Sika Abrokwah	Grants Manager	January 2021 to December 2021
Mr. Joshua Adotey	Monitoring and Evaluation Officer	January 2021 to December 2021
Ms. Esinam Attipoe	Communication Manager	January 2021 to December 2021

Audit Approach

3. We carried out the audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). We also adopted the risk-based audit approach, which is designed to ensure high quality audit by:

- i. Identification of risk that could lead to Procurement Misstatement.
- ii. Reviewing internal control systems which may mitigate against risk identified and test their operations.
- iii. Use of substantive test, test of controls and analytical procedures on transactions to provide audit assurance required.

Scope of Audit

4. Our audit covered the period 1 January to 31 December 2021. The review covered adequacy of the internal controls to ensure that project expenditures were reasonable, allowable and identified areas of fraud, waste and abuse that can exist due to inadequate controls. We also reviewed procurement Management, asset management, stores, expendable and non- expendable items. Additionally, the review was to ensure that procurments during the year were in accordance with Project Agreement.

5. We also examined the project procurement plan and Budget to ensure that it was maintained in accordance with the provisions of the Project Agreement.

We examined the financial and operational reports to confirm whether funds have been used in accordance with Project Agreement.

Audit Objectives:

6. Our overall objectives for the audit were to determine whether;
 - a) The adequacy of internal controls, economy, efficiency and effectiveness in the utilization of Coastal Resilience Project funds.
 - b) Procurements pertaining to the utilization of Coastal Resilience Project were in line with the agreement and the ACECoR Financial Management Manual.
 - c) There was efficiency in the project assets management.
 - d) The award of contracts was made in accordance with ACECoR Procurement Manual and other relevant rules and regulations.

Audit Methodology:

7. To ascertain facts and determine our criteria to achieve the audit objectives, we collected and reviewed data and relevant records of the Africa Centre of Excellence in Coastal Resilience. We determined our audit criteria, norms and standards from sources such as project agreements, the ACECoR Financial Management Manual, ACECoR Procurement Manual, University of Cape Coast Rules and Regulations. We also relied on Audit Service Regularity Audit Manual (RAM) and INTOSAI Auditing Standards.

Limitation of Responsibility

8. We reviewed the systems and management controls operated by Africa Centre of Excellence in Coastal Resilience only to the extent we considered necessary for the effective performance of this audit. As a result, our review may not have detected all weaknesses that exist for the overall improvement that should be made. This document is a confidential document and must be treated as such in accordance with ACECoR Project Policy.

Details of finding and recommendations

Procurement Procedures and Methods

9. Our audit disclosed that the center engaged in five (5) procurements to the value of GH¢1,454,338.26 which needed comprehensive review of the procurement procedures and processes. Further review disclosed that four of the procurements amounting to GH¢1,414,755.36 were through National Competitive tendering with one procurement amounting to GH¢39,582.90 conducted by price quotation procurement method. Details attached as appendix 'A'.

10. The procurement methods adopted were in compliance with Part Four of the Public Procurement Act, 2003 (Act 663) as Amended and the University of Cape Coast ACECoR Project Procurement Manual. The five procurements reviewed were taken through processes such as advertainments, tender opening and evaluation, other technical and documentary evaluation, award of contract, signing of contracts and other procurement process in accordance with Part Four of the Public Procurement Act, 2003 (Act 663) as Amended.

Physical Inspection

11. The Architectural and Structural Engineering of the Africa Centre of Excellence in Coastal Resilience Africa Building Project and the Environmental and Social Impact Assessment (ESIA) report and Environmental Permit from the Environmental Protection Agency for the Africa Centre of Excellence in Coastal Resilience Africa building project was sighted during vouching.

12. Physical inspection at the ACECoR Laboratory disclosed that the Laboratory items contracted for had been supplied as at 31 December 2021. Further review disclosed that ACECoR entered into contract with Messrs. DCL Laboratory Products Limited via letter reference number CR/UCC/GD/0110/2021 dated 16 November 2021 for the supply and installation of Laboratory items with a contract value of GH¢176,944.36.

13. Messrs. DCL Laboratory Products Limited had 60 days to supply the items and therefore the supplier was within the supply period as at 31 December 2021. The audit team noted that no payment has been made to the supplier but urged management to ensure that the supplier comply strictly with the terms and conditions of the agreement.

14. Transport verification disclosed that the Toyota Land Cruiser vehicle with registration GW 1016 - 22 had been supplied and in use by the Director of Africa Centre of Excellence in Coastal Resilience Prof. Denis W. Aheto.

Acknowledgement

15. We would like to express our appreciation for the courtesy extended and assistance rendered by administrative managers of Africa Centre of Excellence in Coastal Resilience during the period of the audit.



JOHN GODFRED KOJO ADDISON
DEPUTY AUDITOR-GENERAL/CAD
For: AUDITOR-GENERAL

Appendix 'A'

Procured item	Procured Item Type	Method of procurement Used	Name of supplier	Contract Value	Total amount paid	Remarks
Design, Architectural, Structural Engineering and Construction Supervision of	Consultancy services	Tender	FAS Consult	386,300.00	139,832.55	Architectural and Structural Engineering Design sighted
Consultancy services for facilitation of the development of environmental and social impact assessment (ESIA) and Acquisition of Environmental Permit from the Environmental Protection Agency	Consultancy services	Tender	Environ Engineering & Management Consult	119,511.00	119,511.00	environmental and social impact assessment (ESIA) Report Environmental Permit from the Environmental Protection Agency sighted
Laboratory Products	Supply and installation of laboratory Equipment	Tender	DCL Laboratory Products LTD	176,944.36	0	Items not supplied as at

								31 December 2021
Laboratory Products items	Supply and of laboratory Equipment	Request for price quotations	Benburtuo Enterprise Limited	39,582.90	39,582.90			Items supplied. fully
Toyota Land Cruiser	Supply of Cross Country 4x4 vehicle	Tender	KLATAA Engineering solutions company Ltd	732,000.00	732,000.00			vehicle with registration number GW 1016 - 22 in use by the Director of Africa Centre of Excellence in Coastal Resilience Prof. Denis W. Aheto.
Total				1,454,338.26	1,277,393.90			