



UNIVERSITY OF GHANA

INTERNAL AUDIT DIRECTORATE

Final Report

COMPLIANCE AUDIT ON THE OPERATIONS OF WEST AFRICAN CENTRE FOR CROP IMPROVEMENT (WACCI) ACE PROJECT FOR THE PERIOD 1ST JANUARY 2019 TO 30TH JUNE 2019

Report No. UG/AUD/47/19

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Date of Issue:	December 19, 2019		

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- Adequacy and Reliability of accounting/operational records
- Funds utilizations
- Project Assets/equipment register

1.5 Strategic Position

The audit supports the priority one (1) of the Strategic Plan of the University with the objective of providing stronger institutional support across the university in the administration and development of research grants.

1.6 Audit Procedures

The audit was conducted in accordance with the International Professional Practice Framework (IPPF) of the Institute of Internal Auditors (IIA) and subjected to quality assurance review. Audit performed sufficient and appropriate procedures and gathered adequate evidence in order to provide the requisite assurances required by Senior Management and the World Bank. Our evidence was adduced through the following methods:

- i. Conducted interviews with key officers at the Centre
- ii. Evaluated the accounting activities within the period under review and testing the controls therein and
- iii. Reviewed key process flowcharts and test the controls.

1.7 Acknowledgment

We would like to thank the following whom we contacted during the audit for their help and courtesies:

- Prof. Eric Danquah - The Director
- Mr. Kwadwo O. Afrifa - Team Lead, Grants Management

1.8 Outline of key issues

The table below summarises the key issues:

Issue Ranking	Main Findings	Action Owner	Resolution Due
Highly Effective	<p>Cash- In- flows</p> <p>For the period under review, International Development Association lodged an amount of Five Hundred and Fifty Thousand US dollars (US\$550,000.00) into the Centre’s bank account to execute specific academic research activities as contained in the Project Agreement.</p>		
Highly Effective	<p>Procurement/Funds Utilizations</p> <p>A total of US\$550,000.00 was spent during the period under review, and all the expenses incurred were fully supported by documentation retained in files, pre-audited and authorized by the Director of the Centre.</p>		
Highly Effective	<p>Treasury Management (Bank Reconciliation)</p> <p>We re-performed the preparation of bank reconciliation statements for the Centre for the period January to June 2019 and confirmed the bank balances. Audit can confirm that the bank reconciliation statements was prepared by the Team Lead, Grant Management and certified by the Director of the Centre.</p>		
Highly Effective	<p>Budget Management</p> <p>The Centre activities were within the approved budget for 2019 financial year.</p>		

2.0 Detailed Findings and Observations

Issue Title		Issue/Control Effectiveness Rating	
2.1 Cash- In- flows		Effective	
<p>The Financial Regulations and Governance of the University Policy 1401 (6) states that, “It is the responsibility of all employees to ensure that income due to the University is maximized by the efficient application of agreed procedures for the identification, collection and banking of such income.”</p> <p>For the period under review, International Development Association lodged an amount of Five Hundred and Fifty Thousand US dollars (US\$550,000.00) into the Centre’s bank account to execute specific academic research activities as contained in the Project Agreement.</p>			
Cause		Risk Category	
Risk-based consequences of the Issue for the University		Risk Rating	
Audit did not see any risk associated with the inflow of grants from the International Development Association of the World Bank.		Highly Effective	
Recommendation		Concept	
Management Response	Action Taken	Action Owner	Action Date
		Mr. Kwadwo Owusu Afrifa (Team Lead, Grants Management)	

Issue Title		Issue/Control Effectiveness Rating	
2.3 Treasury Management (Bank Reconciliation)		Effective	
<p>The Financial Regulations and Governance of the University Policy no. 1301 (10) states that, <i>“the University’s Bank Accounts shall be regularly reconciled and there shall be adequate procedures to ensure security over cheques and other means of transferring funds”</i>.</p> <p>We re-performed the preparation of bank reconciliation statements for the Centre for period January 2019 to June 2019 and confirmed the bank balances.</p> <p>The reconciled bank balances as at 30th June, 2019 are as follows</p>			
Bank		Cedi Account	Dollar Account
Stanbic Bank Ghana Limited		GH¢113,269.01	US\$ 522799.72
Cause			Risk Category
This was as a result of complying of the above quoted policy of the Financial Regulations and Governance of the University by the Grants Manager.			
Risk-based consequences of the Issue for the University			Risk Rating
Audit did not see any risk associated with treasury management.			Highly Effective
Recommendation			Concept
Management Response	Action Taken	Action Owner	Action Date
		Mr. Kwadwo Owusu Afrifa (Team Lead, Grants Management)	

Issue Title		Issue/Control Effectiveness Rating	
2.5 Asset Management		Effective	
<p>The Financial Regulations and Governance of the University Policy no. 1701 (6) states that, “Provosts, Deans and Directors are responsible for the care, custody and security of the buildings, stores, furniture, cash etc. under their control”.</p> <p>The Financial Regulations and Governance of the University Policy no. 1701 (5b) states that, “Provosts, Deans and Directors shall provide Director of Finance with any information he/she may need to maintain the asset register”.</p> <p>Audit finding revealed that assets are properly kept, secure from theft and the Centre has policy on the access to the assets. In addition, an asset register is maintained and updated regularly and assets are coded.</p>			
Cause			Risk Category
This was as a result of complying of the above quoted policies of the Financial Regulations and Governance of the University.			
Risk-based consequences of the Issue for the University			Risk Rating
There is no risk associated with the asset management.			Highly Effective
Recommendation			Concept
Management Response	Action Taken	Action Owner	Action Date
		Mr. Kwadwo Owusu Afrifa (Team Lead, Grants Management)	

Issue Title		Issue/Control Effectiveness Rating	
2.7 Annual Procurement Plan		Effective	
<p>Section 21 (1) of the Public Procurement Act 2003 as amended by the Public Procurement (Amendment) Act 2016 (Act 914) requires that, "a procurement entity shall prepare a procurement plan to support its approved programme and the plan shall indicate; (a) contract packages, (b) estimated cost for each package, (c) the procurement method, and (d) processing steps and times".</p> <p>Available records revealed that the Centre operates within their approved procurement plan for the 2019 financial year.</p>			
Cause		Risk Category	
This was as a result of complying of the above quoted Act.			
Risk-based consequences of the Issue for the University		Risk Rating	
No risk applicable		Highly Effective	
Recommendation		Concept	
Management Response	Action Taken	Action Owner	Action Date
		Mr. Kwadwo Owusu Afrifa (Team Lead, Grants Management)	

