

## CERHI Audit Report

### Key Information on the Project

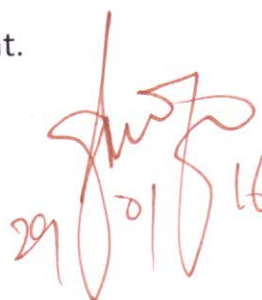
<b>Project Name and State</b>	<b>Centre of Excellence in Reproductive Health Innovation</b>
<b>Project ID</b>	
<b>IDA Credit/Grant No.</b>	IDA 54150
<b>Implementing Agency</b>	University of Benin
<b>Effectiveness Date</b>	<b>July 1<sup>st</sup> 2015</b>
<b>Closing Date</b>	June 30 <sup>th</sup> 2019
<b>Credit/Grant Amount</b>	US\$ 8m
<b>Project Duration</b>	4 years
<b>Remaining Period to Closing</b>	3 1/2 years
<b>Disbursed Amount to date &amp; Percentage</b>	₦147,172,326.55 (10%)
<b>Period Covered by Review</b>	July-December 2015
<b>Internal Auditor</b>	Osifo I U Osagie

### EXECUTIVE SUMMARY.

#### WORK DONE:

For the purpose of the above Audit, we requested for the following documents/ information from the Project Accountant.

- i. Books of Accounts
- ii. Statement of Funds received from World Bank.
- iii. Statement of Expenditures incurred.
- iv. A Summary of activities in the designated account.



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- v. A Summary of the principal accounting policies that have been adopted and other explanatory notes.

## FINDINGS

- (i) The Centre's Books of Account (Cash books, Ledgers, Bank statements, Fund flow statements, etc) maintained electronically were presented for Audit examination. The Bank statements entries were traced to the Cash books and Fund flow statement.
- (ii) It was discovered that CERHI received its first tranche of ₦ 147,172,326.55 (One Hundred and Forty-Seven Million, One Hundred and Seven-Two Thousand, Three Hundred and Twenty-Six Naira, Fifty-Five Kobo) on the 31<sup>st</sup> of July 2015 from the World Bank. From this the Centre made a refund of ₦ 9,193,536 (Nine Million One Hundred and Ninety-Three Thousand, Five Hundred and Thirty-Six Naira) to the University of Benin as Miscellaneous expenses incurred on his behalf since inception. See Appendix 1.

Also expended from this Account was ₦ 1,258,234 (One Million, Two Hundred and Fifty-Eight Thousand, Two Hundred and Thirty-Four Naira) for Miscellaneous Recurrent expenditure ranging from purchases of conference materials, Transportation, Printing of banners, etc.

An outstanding balance of ₦ 136,718,669.96 (One Hundred and Thirty-Six Million, Seven Hundred and Eighteen Thousand, Six Hundred and Sixty-Nine Naira, Ninety-Six Kobo) was transferred from this Account to the CBN in compliance with the Federal Government's directive for MDAs (Ministries, Departments & Agencies) to operate TSA (Treasury Single Account) on the 30<sup>th</sup> of October 2015.



- (iii) The Project Accountant was required to provide the Payment Voucher of the above refund of ₦ 9,193,536 (Nine Million, One Hundred and Ninety-Three Thousand, Five Hundred and Thirty-Six Naira) and the supporting documents giving rise to it.
- (iv) Also examined were payment vouchers, E-payment Mandates, Assets register and Statement of Expenditure incurred.
- (v) No records yet for the application fees by Post Graduate candidates that applied for CERHI Post Graduate Programmes that is said to be paid to the University account instead of CERHI's. The records maintained by CRPU concerning the number of applicants, the amount involved and the bank account the money was presently lodged were not supplied. Also the Bank reconciliation statements from August 2014 to October 2015 were not available.

**Books of Account:** The Centre currently keeps its account (ledgers, cash books, Bank Reconciliation, etc) electronically.

**Revenue:** The Revenue ledger as at 31<sup>st</sup> December, 2015 had a balance of ₦ 490,100 (Four Hundred and Ninety Thousand, One Hundred Naira only). This was mainly Tender fees for CERHI building bidding. Though the center has published for the various Post graduate programmes and applications duly received this Account is yet to receive fees for such application.

**Assets:** The Centre has acquired some assets ranging from Laptop computers, Desktop computers, Photocopiers, Scanners, Multi-media projectors, Conference table & chairs, Public address systems (wireless audio) etc. Amounting to ₦ 3,588,750 (Three Million,

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Five Hundred and Eighty-Eight Thousand, Seven Hundred and Fifty Naira). These assets are now in full custody of the centre.

### **Adequacy of the FM system in place.**

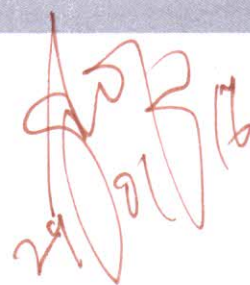
The Centre uses the University's FM that is in compliance with the Bureau of Public Procurement Act 2007. Expenditures up to ₦ 2,500,000 (Two Million, Five Hundred Thousand Naira) only are subjected to the Vice Chancellor's approval. While those above ₦ 2,500,000 (Two Million, Five Hundred Thousand Naira) only are approved by University's Tenders board. Approved expenditures are subjected to both pre and post payment audit to ensure that the Project funds are being used for the intended purposes and gives the required value for money.

### **Project-specific Risk Profile.**

The current practice of referring all expenditures to the Management of the University of Benin for approval, is no doubt slowing down the payment process and likely to affect the Centre's DLIs. The World Bank should encourage participating Universities in the ACEs programme to increase Centre leaders' approval limits and have quarterly briefing of the Centre's activities with Management.

The Internal Audit is being conducted in accordance with the World Bank's FM making sure that:

- (i) Project funds are utilized efficiently, effectively, economically and only for the intended purposes;
- (ii) Financial reports generated by the accounting system are prepared on time, accurately and are reliable; and
- (iii) The assets acquired with project funds are safeguarded from misuse, defalcation, conversion and other forms of misappropriation.
- (iv) The Centre's disbursements complies with all extant laws, rules, guidelines, etc. of the Federal Republic of Nigeria as applicable to Federal Universities.



## FINDINGS AND ACTION PLAN

Internal Audit observed that disbursements are not timely due to late processing of payments meant for project activities. This has led to team members not getting their travelling allowance to attend seminars and workshops until after their return from such functions.

It was also observed that some commitments are entered into before recourse to audit for price verification.

Internal audit is of the opinion that payments should be processed early enough to enable beneficiaries receive such before date of intended purpose. Moreso, Audit input must be sought for before any form of commitment is entered into by the Centre. This is to avoid any form of litigation that may arise there from.

### • Budgeting:

- Comparison of budget and actual expenditure:

#### UNIVERSITY OF BENIN, BENIN CITY

##### USES OF FUNDS BY PROJECT ACTIVITY

PROJECT ACTIVITY	LESS EXPENDITURE	CURRENT PERIOD		
		PLANNED	NAIRA ACTUAL	VARIANCE
<b>100</b>	<b>ENHANCED CAPACITY TO DELIVER REGIONAL HIGH QUALITY TRAINING</b>			
01-200-2002	Administrative Salaries	1,000,000	-	1,000,000
01-200-2003	Junior Staff Salaries	500,000	-	500,000
01-200-2004	Visiting Lecturer Salaries	1,000,000	-	1,000,000
01-300-3022	Vehicle	21,000,000	-	21,000,000
01-300-3024	Website Development	3,000,000	-	3,000,000
01-400-4001	Transport and Travelling	7,000,000	<b>3,627,447.25</b>	3,372,553
01-400-4003	Fuel Charges (Diesel, Petrol)	200,000	-	200,000





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01-400-4005	Guest Feeding and other charges	2,000,000	45,738.00	1,954,262
01-400-4006	Communication and Postage Charges	250,000	-	250,000
01-400-4008	Professional Conferences/Workshop (Local)	10,000,000	1,650,449.00	8,349,551
01-400-4021	Vehicle License and Insurance	2,000,000	-	2,000,000
		47,950,000	5,323,634.25	42,626,366
	ENHANCED CAPACITY TO DELIVER APPLIED RESEARCH TO ADDRESS REGIONAL DEVELOPMENT CHALLENGES			
01-300-3001	Books, Journals, World Health Magazines, Etc.	2,500,000	-	2,500,000
01-300-3004	Desktop Computer	840,000	-	840,000
01-300-3005	Laptop	1,440,000	-	1,440,000
01-300-3006	Printer	672,000	-	672,000
01-300-3007	Digital Camera (16dpi)	180,000	-	180,000
01-300-3015	Public Address System	312,000	-	312,000
01-300-3016	Interactive Board	3,360,000	-	3,360,000
01-300-3021	Generator (100 KVA)	-	-	-
01-300-3023	Civil Works ( CERHI Building Complex)	80,000,000	-	80,000,000
01-400-4002	Stationeries and Consumables	2,000,000	-	2,000,000
01-400-4007	Professional Associations and Journal Subscription fees	1,000,000	-	1,000,000
01-400-4012	NHIS Charges for Students and CERHI Staff.			-
01-400-4014	Internet Subscription and IT Maintenance/Support	700,000	-	700,000
01-400-4015	Laboratory Practice and Consumables	3,000,000	-	3,000,000
01-400-4016	Advert and Interviews Expenses	2,000,000	-	2,000,000
01-300-3008	Multi Media Projector	1,176,000	-	1,176,000
01-300-3009	Scanners	84,000	-	84,000

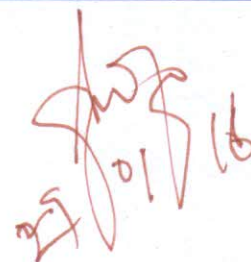


01-300-3010	Photocopier	1,728,000	-	1,728,000
01-400-4009	Professional Conferences /Workshop (Overseas)	10,000,000	6,738,705.25	3,261,295
		<b>110,992,000</b>	<b>6,738,705</b>	<b>104,253,295</b>
<b>300</b>	<b>BUILD/USE INDUSTRY/SECTOR PARTNERSHIP TO IMPACT OF ACE ON DEVELOPMENT AND INCREASED RELEVANCE OF CENTRE EDUCATION AND RESEARCH</b>			
01-400-4010	Facility and infrastructure maintenance	900,000		900,000
		<b>900,000</b>	<b>-</b>	<b>900,000</b>
<b>400</b>	<b>BUILD AND STRENGTHEN REGIONAL AND INTERNATIONAL ACADEMIC PARTNERSHIP</b>			
01-300-3002	Stabilizer (5 KVA)	138,600		138,600
01-300-3003	UPS (1.5 KVA)	126,000		126,000
01-300-3014	Water Dispenser	42,000		42,000
01-300-3017	T .V. Set (32")	144,000		144,000
	T .V. Set (22")	72,000		72,000
01-300-3018	File Cabinets (4 Drawer fire Proof)	432,000		432,000
01-300-3019	Furniture & Fittings	6,500,000	1,791,700.00	4,708,300
01-300-3020	Air Conditioners (1.5 HP)	244,800		244,800
01-400-4011	Curriculum Workshop	15,000,000	9,193,536.00	5,806,464
01-400-4017	Students Scholarship	-		-
01-400-4018	Students Prizes and Awards	-		-
01-400-4019	Electricity Bill	200,000		200,000
01-400-4020	Water Rate/Bill and maintenance	200,000		200,000
01-300-3013	Fridges	110,400		110,400
		<b>23,209,800</b>	<b>10,985,236</b>	<b>12,224,564</b>
<b>500</b>	<b>ENHANCE GOVERNANCE AND MANAGEMENT OF ACE AND THE PARTICIPATING UNIVERSITY</b>			

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01-300-3010	Photocopier	1,728,000	-	1,728,000
01-400-4009	Professional Conferences /Workshop (Overseas)	10,000,000	6,738,705.25	3,261,295
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01-400-4011	Curriculum Workshop	15,000,000	9,193,536.00	5,806,464
01-400-4017	Students Scholarship	-		-
01-400-4018	Students Prizes and Awards	-		-
01-400-4019	Electricity Bill	200,000		200,000
01-400-4020	Water Rate/Bill and maintenance	200,000		200,000
01-300-3013	Fridges	110,400		110,400
		<b>23,209,800</b>	<b>10,985,236</b>	<b>12,224,564</b>
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01-300-3012	Accounting Software	1,500,000		1,500,000
01-400-4004	Staff Training	1,000,000		1,000,000
01-300-3011	License Software	1,000,000		1,000,000
01-700-7001	Bank Charges	-	7,738.50	(7,739)
		3,500,000	7,739	3,492,262
	<b>TOTAL</b>	<b>186,551,800</b>	<b>23,055,314</b>	<b>163,496,486</b>

**UNIVERSITY OF BENIN, BENIN CITY**

**CENTRE OF EXCELLENCE IN REPRODUCTIVE HEALTH INNOVATION (CERHI)**

**SOURCES AND USES OF FUNDS FOR THE PERIOD 1ST JULY TO 31ST DECEMBER, 2015**

**CREDIT NO: 54150 NG**

			<b>CURRENT</b>
<b>Receipts:</b>			<b>Naira</b>
<b>IDA</b>			<b>147,172,326.55</b>
<b>Application fees</b>			
<b>Clearance fees</b>			
<b>School fees</b>			
<b>Tender Fees</b>			<b>545,100.00</b>
<b>Others</b>			
<b>Total Receipts</b>			<b>147,717,426.55</b>
	<b>ACTIVITY</b>		
<b>Expenditure</b>			
ENHANCED CAPACITY TO DELIVER REGIONAL HIGH QUALITY TRAINING	<b>100</b>		<b>5,323,634.25</b>
ENHANCED CAPACITY TO DELIVER APPLIED RESEARCH TO ADDRESS REGIONAL DEVELOPMENT CHALLENGES	<b>200</b>		<b>6,738,705</b>
BUILD/USE INDUSTRY/SECTOR PARTNERSHIP TO IMPACT OF ACE ON DEVELOPMENT AND INCREASED RELEVANCE OF CENTRE EDUCATION AND RESEARCH	<b>300</b>		<b>-</b>
BUILD AND STRENGTHEN REGIONAL AND INTERNATIONAL ACADEMIC PARTNERSHIP	<b>400</b>		<b>10,985,236</b>

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ENHANCE GOVERNANCE AND MANAGEMENT OF ACE AND THE PARTICIPATING UNIVERSITY	500		7,777.09
<b>Total Expenditure</b>			<b>23,055,352.59</b>
<b>Receipts Less Expenditure</b>			<b>124,662,073.96</b>
Excess of Receipts Over Expenditure			124,662,073.96
Opening Cash Balance			
Project Bank Account			
IBRD/IDA Special Account			
Net Available Cash			

**UNIVERSITY OF BENIN, BENIN CITY**  
**CENTRE OF EXCELLENCE IN REPRODUCTIVE HEALTH INNOVATION**  
**COMMITMENTS**

S/N	PURPOSE	AMOUNT	₦
1	Supply of Office Equipment	2,656,500.00	
2	Provision of furniture for CERHI 4 Departments (2,261,475 x 4)	9,045,900.00	
3	Procurement of 30 seater School Bus	16,275,000.00	
4	Construction of CERHI Building Complex	93,200,167.62	
	<b>Total</b>	<b>121,177,567.62</b>	
	<b>Excess of Reciept over Expenditure</b>	<b>124,662,073.96</b>	
	<b>Less Total Commitments</b>	<b>121,177,567.62</b>	
	Balance	<b>3,484,506.34</b>	

**BUDGET ANALYSIS**

1. The Budget for Website Development, Fuel Charges, Communication and postage Charges, Vehicle Licenses & Insurance and every other expense budgeted for but wasn't used, seems favourable due to non-commitment of expenditure in those vote heads. It is expected that with the attainment of a permanent structure for the center, some of these expenditure heads would be active.

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2. 01-400-4001,4005, 4008 representing Transport and Travelling, Guest feeding & other charges and Professional Conferences/Workshop (local) respectively did not fully utilize their budget. While Transport and Travelling has ₦ 7,000,000 (Seven Million Naira) only, ₦ 3,627,447.25 (Three Million, Six Hundred and Twenty-Seven Thousand, Four Hundred and Forty-Seven Naira, Twenty-Five Kobo) only has been used giving a favourable variance of ₦ 3,372,553 (Three Million, Three Hundred and Seventy-Two Thousand, Five Hundred and Fifty-Three Naira) only, Guest feeding had ₦ 2,000,000 (Two Million Naira) only, ₦ 45,738 (Forty-Five Thousand, Seven Hundred and Thirty-Eight Naira) only has been used, giving a favourable variance of ₦ 1,954,262 (One Million, Nine Hundred and Fifty-Four Thousand, Two Hundred and Sixty-Two Naira) only, Professional conferences/workshops (local) had ₦ 10,000,000 (Ten million Naira) only, ₦ 1,650,449 (One Million, Six Hundred and Fifty Thousand, Four Hundred and Forty-Nine Naira) only has been used given a favourable variance of ₦ 8,349,551 (Eight Million, Three Hundred and Forty-Nine Thousand, Five Hundred and Fifty-One Naira) only.
3. 01-300-3019 represents Furniture and Fittings which had a budget of ₦ 6,500,000 (Six Million, Five Hundred Thousand Naira) only, ₦ 1,791,700 (One Million, Seven Hundred and Ninety-One Thousand, Seven Hundred Naira) only has been utilized, giving a favourable variance of ₦ 4,708,300 (Four Million, Seven Hundred and Eight Thousand, Three Hundred Naira) only
4. 01-200-2002-4 borders on salaries for senior staff, junior staff and visiting lecturers. It was discovered to be all favourable as no expenditure was carried out under the project activity. No employment (whether administrative or junior staff) was made in the period under review.
5. 01-400-4011 vote for curriculum workshop was ₦ 15,000,000 (Fifteen Million Naira) only, ₦ 9,193,536 (Nine Million, One Hundred and Ninety-Three Thousand, Five Hundred and Thirty-Six Naira) only was expended for preliminary expenses which included project launches, training workshops, supply and installation of equipment for CHERI secretariat, etc. Though there is a favourable variance of ₦ 5,806,464 (Five Million, Eight Hundred and Six Thousand, Four Hundred and Sixty-



Four Naira) only, it may be due to inactivity of the center which is likely to tell on meeting the DLI attached to such.

### COMMENT

It was observed that the vote heads (codes) were not uniformly followed in the budget presentation, hence making it difficult to see at a glance performance in the various heads.

Eg: Income code 01-100-1000 to 01-100-1007

### Staff Salaries 01-200-2000 to 01-200-2004

Capital Expenditure 01-300-3000 to 01-300-3024, etc were all mixed up. See budget presented above.

Nevertheless, the inclusion of the Centre's fund with that of the University's through Treasury Single Account (TSA) operations is likely to have impact in the running of the Centre's project. With TSA it is not possible to pin point the project's fund. A lot of reconciliation need to be carried out with the University main account to be able to sieve out the project's performance.

Moreso, with the existence of budget committee (including external council member) in University of Benin, the good performance of the project's budget is guaranteed. This is because the centre's budget is laid before the committee for necessary scrutiny and approval.

## Recommendation

The project implementing team is advised to always prepare their budget timely for onward submission to the University's budget committee for prompt approval.

The importance of studying the various DLLs need not be overemphasized as meeting them entitles the centre to receive the necessary World Bank associated reward.

## Management response

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**Accounting:** The Accounting system of CERHI is adequate, being that the books of Accounts are maintained electronically. The project books of accounts, accounting records and documents including bank reconciliation statements, ledgers and trial balances up to December 31, 2015 were audited and were in compliance with World Bank guidelines.

The Project Financial Management Procedures Manuals were reviewed and seen to be adequate.

### **Recommendation**

In line with World Bank directive, Internal Audit advice that CERHI's Audited Annual Financial Statement be included in the University's published financial statement and also pasted in the CERHI's Website

### **Management response**

**Internal Controls:** CERHI is in compliance with the financing agreements, financial procedures manuals etc. There are no issues with unretired advances, insufficient supporting documents, ineligible expenditures etc.

Though CERHI has admitted students into its various post graduate programmes, income (application fees, school fees, etc.) accruing to the centre is yet to be separated from the University's fund.

**Segregation of duties:** duties are fully segregated among all team members.

**Physical controls:** Internal Audit carries out physical verification of assets periodically to be sure that the assets are safeguarded from misuse, defalcation, conversion and other forms of misappropriation.

**Approval and authorization procedures:** CERHI has adopted the University's mode of approval and authorization. Before any payment is made, the expenditure item must have been approved by the Vice Chancellor, the CERHI Team Leader depending on the amount involved after which prepayment audit is carried out.



**Controls over assets:** The accounts department has an up to date fixed asset register and is in the advanced stage of forming codes for the various classes of assets for proper codification.

**Insurance cover over assets:** The University of Benin has a comprehensive insurance cover on its assets including that of CERHI.

**Cost control procedures over projects assets:** To ensure that project's assets are acquired at the best ruling market price, the various procedures spelt out in the Bureau of Public Procurement act 2007 are followed. Depending on the amount involved, bidding or call for quotation from reputable vendors is resorted to.

**Weaknesses in internal controls and recommendations:** Audit observed that payment vouchers are sometimes not raised timely, some purchases and/or financial commitments are made before recourse to Audit, Prices used most times are not verified by audit. These are possible avenues that may bring friction between Audit, Management and the Suppliers/Vendors.

#### **Recommendation**

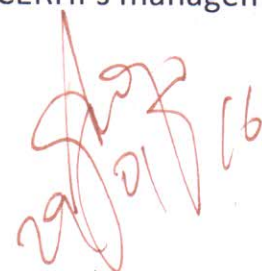
CERHI management is hereby advised to seek necessary approvals for all payments timely to enable prompt processing of payment vouchers. It will equally be appreciated to get Audit input in all expenditures before commitments are entered into with suppliers/ vendors.

#### **Management oversight procedures over the project**

To ensure that the project funds are committed to the purposes meant for, all expenditures for the project have to be approved by the University of Benin Management before any release from the project fund.

The University's Tender board services is extended to the project execution procedures. Also in place is a project monitoring committee involving the University's physical planning division that meets with the CERHI's building contractor regularly for necessary supervision.

The project equally enjoys Nigerian Universities Commission's (NUC) guidance. To this end series of seminars and workshops have been organized for CERHI's management





team to be well guided. It is expected that the project's programmes will be given the needed accreditation soon.

### **Strengthening management oversight and Audit Committee**

While the University's Management approval of project's expenditures are commendable, the project's team Management will be able to act more swiftly if their expenditure limit is enhanced.

### **Funds Flow**

The center (CERHI) was expected to disburse ₦ 186,551,800 ( One Hundred and Eighty-Six Million, Five Hundred and Fifty-One Thousand, Eight Hundred Naira) only out of the expected receipts of ₦ 185,782,288 ( One Hundred and Eighty-Five Million, Seven Hundred and Eighty-Two Thousand, Two Hundred and Eighty-Eight Naira) only. This would have led to a deficit of ₦ 769,512 (Seven Hundred and Sixty-Nine Thousand, Five Hundred and Twelve Naira) only.

However, the Centre's actual disbursement for the period amounted to ₦23,055,352.59 (Twenty-Three Million, Fifty-Five Thousand, Three Hundred and Fifty-Two Naira, Fifty-Nine Kobo) only. While the actual receipts stood at ₦147,717,426.55 (One Hundred and Forty-Seven Million, Seven Hundred and Seventeen Thousand, Four Hundred and Twenty-Six Naira, Fifty-Five Kobo) only.

The fall in actual receipts could be ascribed to the University not remitting budgeted funds received from application fees, clearance fees, school fees and part of tender fees for the period. The World Bank's grant of ₦ 147,172,326.55 (One Hundred and Forty-Seven Million, One Hundred and Seventy-Two Thousand, Three Hundred and Twenty-Six Naira, Fifty-Five Kobo) only for the period was however received intact.

Nevertheless, the period's withdrawal applications witnessed untold delays, that most withdrawals were effected after actual events that they were meant for have taken place. This practice led to some team members not participating in events that they would have ordinarily if the funds were made available promptly.

Attached are the copies of withdrawal applications and statement of expenditures for the period.



## **Recommendation**

To ensure effectiveness and efficiency on the part of all concerned is recommended that processing of advances and other funds meant for seminars, workshops, and the likes should commence early enough to allow beneficiaries receive what is needed to participate/ represent the centre adequately.

## **Financial Reporting.**

The project's (centre) accounting unit currently have qualified human resource personnel that can perform to latest best practice when given the needed material resources. As the first time of rendering financial report, it could be adjudged to be timely, and in compliance with the necessary regulatory requirements.

Sequel to the above, it could be inferred that the accounting unit of CERHI could do better in the future when the modern day accounting packages and office equipment such as computers, printer, etc are provided

Noticeable in the expenditures showed in the FMR/IFR of the period are some commitments entered into before recourse to Internal Audit. This practice is not encouraging and should be stopped forthwith. All the same, no ineligible expenditure has thus far been found in the FMR/IFR of CERHI.

## **Recommendation**

The CERHI team is advised to always adhere to the practice of prepayment auditing (obtaining Internal Audit stand before any commitment is entered into). The best would be obtained from both Internal Audit and accounting units of CERHI if they are well equipped with modern accounting facilities and trained for their use.

## **External Audit.**

The centre is in the process of engaging external auditors as at the time of this report and the Internal Audit unit of CERHI look forward to a cordial working relationship with whoever emerges as the project's external auditor.

## **Disbursements and submission of Withdrawal Applications.**

So far, the centre has not witnessed any returned withdrawal application but have only benefited from the initial disbursements to the ACEs by the World Bank.





## **Fraud and Corruption.**

There has been no known issue of fraud nor corruption associated with activities of CERHI.

## **Payment Procedures:**

CERHI's current payment procedures complies with the University of Benin's payment procedure to suppliers, service providers and other beneficiaries which is in consonance with the relevant Financial Management practice of the Federal Republic of Nigeria as spelt out by the office of the Accountant General of the Federation. For now this practice is adequate.

## **Physical verification by on-site visits, third party/beneficiary confirmation:**

Presently, the project's assets are located in five main locations; temporary secretariat housing all assets used for administrative purpose, obstetrics and gynecology, nursing, community health and health economics housing assets for various departmental trainings.

It is worthy of note that this various assets were physically verified to their present locations by the Internal Audit unit of CERHI.

## **Procurement activities**

Internal Audit observed that procurement activities especially those involving bidding for the centre's building and vehicle purchase were done by the University of Benin tenders board without the centre (team) leader's representative. It is advisable that future procurement of such magnitude should involve the centre's team management that may be better informed of specifications and World Bank's budget for such.

## **Other matters.**

It is observed that the Internal Auditor or the representative, is in most cases cut off from most seminars and workshops especially those outside the shores of Nigeria, where valuable decisions/positions are taken concerning Financial Management of ACEs. It is advisable that for ACEs internal auditors to be well abreast with World Bank requirements for financial management, they should be carried along and be made to attend all seminars and workshops organized for the purpose.



## Action Plan

### Follow up of the status of Implementation of the Findings of Previous Reviews

#### Status of Previous Internal Audit Action Plan

Agreed Actions	By Whom	By When	Status
1 Codification of centre's Asset	Project Accountant	March Ending	Pending
2 Provision of Desktop/ Laptop			
3			

#### Status of External Audit Findings

Agreed Actions	By Whom	By When	Status
1.			
2.			
3.			

#### Status of Bank FM Supervision findings

Agreed Actions	By Whom	By When	Status
1.			
2.			
3.			

#### Status of Procurement findings

Agreed Actions	By Whom	By When	Status
1.			
2.			
3.			

  
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## New/Updated Internal Audit Action Plan

Issues	Agreed Actions	By Whom	By When
1.			
2.			
3.			

Persons met in the course of review

Sign:

Internal Auditor

## Dissemination of Internal Audit Report/Work

There is need for all stakeholders to be involved in the ongoing projects; from the Centre's building - ensuring standard outcome to the various academic programmes receiving universal acceptability.

29/01/16