

# **AUDIT SERVICE – SIERRA LEONE**

## **PRESS RELEASE**

**23<sup>RD</sup> NOVEMBER, 2007**

This release is principally set down in reaction to recent media reports that accuse the Audit Service of mal-administration, misappropriation of funds and other forms of corruption.

In our reaction, may we submit that the reports in question are not only baseless but also unfounded and lack contention. Responsible journalists have always deemed it fit that they cross-check information before going to press, lest they might cause damage.

In this scenario, however, the papers' fraternity would have exhibited professionalism if they had explored means to contact us in their ardent attempt to ascertain the veracity or mendacity of the allegations. Therefore, it goes without saying that all alleged or purported are one side of the story deliberately and unfairly tailored to mar the splendid image of personalities and perhaps the rest of the Service.

Be that as it may, we hold the belief or conviction that our own side of the story shall inevitably set the records straight.

Our reactions are as attached

Auditor General

**Copy: The Hon Minister of Information, Broadcasting and  
Communication  
The Secretary to President  
The Chairman, Independent Media Commission (IMC)  
The President of Sierra Leone Association of Journalist (SLAJ)  
The Director, Coalition of Civil Society and Human Rights  
Activists Sierra Leone  
The Secretary General, Sierra Leone Association of Journalist (SLAJ)**

**REACTION TO NEWSPAPER REPORTS**  
**PEEP NEWSPAPER – MONDAY 19<sup>TH</sup> NOVEMBER 2007**

**HEADLINE: CORRUPTION GALORE AT THE AUDITOR’S OFFICE**

	<b>Issues</b>	<b>Reactions</b>
a.	That in December/January 2007 the Commonwealth Secretariat provided £11,000 for the Services Strategic Planning Workshop. That the money was paid into an account other than the service’s bank account	All accounts opened are owned by the Audit Service and under its name. The amount in question was transferred into Audit Service Sierra Leone Commercial Bank Account No. 1011091, Siaka Stevens Street Branch, Freetown. The money received from the Commonwealth Secretariat was disbursed properly for the purposes for which it was provided and a full account given to the Commonwealth Secretariat as requested. Full details of the activities/copies of receipts are available for inspection.
b.	That in March-July 2007 a generator house was constructed at a contract price of Le28,000,000 even though the first offer by the contractor was for Le11,000,000	The cost of construction of the generator house was Le11,086,500, which was far less than the amount of Le28,000,000, which was originally charged by another contractor.
c.	That in November 2006 Le37,470,000 was paid to a senior officer to audit the following missions:- <ul style="list-style-type: none"> <li>- UN Permanent Mission – New York</li> <li>- US Embassy in Washington</li> </ul> And that no reports have been issued	The Audit of the two missions (UN Permanent Mission in New York and the US. Embassy in Washington D.C.), were carried out in December, 2006 and the reports issued in March, 2007. Copies are available at the office.
d.	That in June/July 2005 Le17,000,000 was paid as cost/expenses for the audit of African Union/Ethiopian Embassy. That the audit was carried out when the payee was attending a totally unrelated seminar in Tanzania. That there is a double payment.	There is no double payment in this activity. A single Air Ticket provided by African Organisation of Supreme Audit Institutions – English Speaking (AFROSAI-E) was utilized for both activities to save cost. The African Organisation of Supreme Audit Institutions – English Speaking (AFROSAI-E) conference was held in Tanzania from 6 <sup>th</sup> to 10 <sup>th</sup> March, 2007. The Audit exercise, covering a 5 year period of audits commenced immediately after the above meeting. This is a distinct activity from the Governing Board meeting and conference. The organization was able to save on the total cost of the Air Fare to undertake the audit.
e.	That in 2005 payments were made to a certain individual for the audit of Sierra Leone High Commission Banjul and Sierra Leone Embassy in Conakry. That the audits have not been carried out and no report has been issued to date.	Payments were made to undertake the audit of the two missions. Due to the absence of the 2 <sup>nd</sup> Deputy, the audit was temporarily deferred. The audit, which was updated has now been carried out and the report writing is in progress.

<b>Issues</b>		<b>Reactions</b>
f.	That the audit of foreign Missions has been the sole direction of management. Several instances exist where per diems have been paid in advance without any work being done	The audit of Foreign Missions is an issue determined by the Auditor General, taking into account the level of competence, experience personality, tactfulness interpersonal relationship, politeness etc which will be required when dealing with members of the diplomatic corps. Per diems must be paid in advance to undertake such activities.
g.	That in 2005 public funds were wasted by funding masters degrees for individuals who were just a year or so away from retirement. That the individuals have refused to retire at attaining the retirement age	The pursuance of the Training Programmes for masters degrees were designed and approved long before it was effected. The African Development Bank (ADB), has been very slow in implementing their support programmes, resulting in delays in the start of most of the Training Programmes. The support for training was approved in the year 2000, when such officers had at least six years in the service. They were specifically chosen because of their competence and for retention purposes.
h.	<b>2005 – 2007</b> Incomplete staff list-Age qualification, Date of Appointment	This information is available at any time. The Staff List is quite comprehensive as it gives not only the data stated opposite but also qualifications of each personnel.
i.	2004-2006 That the Audit Service has not prepared auditable financial statement for this period.	Financial Statements have been prepared for the 16 months period ended 31 <sup>st</sup> December 2005. Financial Statements for FY 2006 is in progress.
j.	<b>2007</b> That management salaries are overpaid. That Board approval is for \$2500 and not \$3000. Payment are not made on the basis of qualification.	The officers occupying these positions are fully qualified in terms of the requirements for the positions. The salary of \$3000 was fixed by the Re-grading Committee after the curriculum vitae and certificates of the holders of these positions had been thoroughly assessed by the Committee.
k.	<b>2005 – 2007</b> That since 1997 the Northern Province office has not been opened. Only local council's and few schools have been audited.	Owing to lack of resources the full operations of the office in the Northern Province have not been effected. However, an office accommodation has been secured, for which advance rent was paid. Management has requested support from the Ministry of Finance for furniture & equipment which has still not been approved. As a result, undertaking audits in that region has become costly in terms of transportation and night allowances.
l.	<b>2005-2006</b> That audit reports are often not presented on time due to poor management and organizational performance. That even though local councils have all submitted their financial statements for 2005 and 2006 Financial Year only the audit of few councils have commenced.	The fact that most of the staff were new to the organization, created a situation whereby there were a few delays in reporting. Management had relentlessly provided and influenced adequate training programmes to enhance the performance of staff members. This includes in-house, local and overseas training. The records are available for inspection. This coupled with non provision of relevant logistical support in terms of accommodation, finances, vehicles etc have adversely affected our work.

	<b>Issues</b>	<b>Reactions</b>						
m.	That in summary the organization has failed to maintain its credibility and reputation, failed to meet targets. The organization is in need of financial and performance audit.	<p>This organisation has always maintained its credibility and reputation. Annual audited accounts have been completed up to the year 2006. Transactions audit for 2006 and 2007 are on going. The Annual Financial Statements were not submitted for auditing on time as required by law. In spite of this, the organisation audited statements within record time as detailed below</p> <table border="0"> <thead> <tr> <th data-bbox="724 517 986 551"><u>Date of Submission</u></th> <th data-bbox="1098 517 1497 584"><u>Date of Issue of Management Letter</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="724 584 986 651">2002, 2003 &amp; 2004 Submitted April, 2007</td> <td data-bbox="1098 584 1497 651">2<sup>nd</sup> August, 2007</td> </tr> <tr> <td data-bbox="724 689 986 757">2005 &amp; 2006 Submitted 22<sup>nd</sup> June, 2007</td> <td data-bbox="1098 689 1497 757">24<sup>th</sup> September, 2007</td> </tr> </tbody> </table>	<u>Date of Submission</u>	<u>Date of Issue of Management Letter</u>	2002, 2003 & 2004 Submitted April, 2007	2 <sup>nd</sup> August, 2007	2005 & 2006 Submitted 22 <sup>nd</sup> June, 2007	24 <sup>th</sup> September, 2007
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n.	That the World Bank Review Contract concluded that the Auditor General could be an asset but the Auditor General has remained sick incompetent and ineffective.	<p>The Editor should produce the World Bank Review Contract which states that the Auditor General has remained sick etc as all donors' reports received in the office have commended the work of the Auditor General.</p> <p>Furthermore, it must be noted that the Auditor General works 6 days a week from 8:30 a.m – 9:00 p.m Mondays to Fridays when power is available (only to 7 p.m when power is not available) and from 10:00 a.m – 5:30 p.m on Saturdays. She never reports sick so what criterion was used to determine that she “has remained sick”. Also the criteria used to determine her incompetence and ineffectiveness will be most welcome. Finally it must be appreciated that our work is not physical like carpentry or being a soldier but mental. Professional competence is what is necessary. The Audit Service, Sierra Leone is a member of the African Organisation of Supreme Audit Institutions – English Speaking (AFROSAI-E) Governing Board in Pretoria. We also provide facilitators in AFROSAI-E for the Regional Training Programmes. The Auditor General has been appointed Editor of a Quality Audit Magazine because of her competence in both Auditing and English, the latter being absent in nearly all the newspaper editors in Sierra Leone.</p>						

**NEW VISION – TUESDAY 20 NOVEMBER 2007****HEADLINE: AUDITOR’S RESIGN EM-MASSE**

	<b>Issues</b>	<b>Reactions</b>
a.	<p>Mass Resignation of scores of auditors due to poor management of the commission, lack of conducive working environment and nepotism</p> <p>22 out of 100 newly recruited staff have left the commission</p>	<p>The conditions of service, especially with regard to salaries have not changed significantly since 2002 when they were fixed. Proposals have been made to the Ministry of Finance for which action has not been effected because of lack of funds. Accommodation and logistical support have been a problem. We are in the process of negotiating support from donor agencies to alleviate our problems. A concept paper has been submitted to Ministry of Finance and is available in the office. Recruitment, which is done by the Board, is very transparent. Staff members are always encouraged to pursue further studies which some do full time as their return will enhance the operations of the organization. Those that have left for other organizations are not up to 7%. It must also be pointed out that accounting staff members are in great demand so they do move a lot.</p>
b.	<p>That over the past three years auditors have been recruited as part of SLPP’s efforts to promote accountability</p>	<p>The Audit Service Sierra Leone has been even more concerned about accountability but recruitment and retention of staff have been hampered by the low levels of salary which have been brought to the notice of the Board.</p>
c.	<p>That the communication gap between the management and other line staff is extremely wide. That Deputy Commissioner receives \$3000, where as a Principal Auditor receives \$600</p>	<p>This is the only organisation in which even the lowest staff member has access to the top executive. Divisional Heads have unrestricted access to Management in the office. General staff meetings are held between the management and staff. There is a Divisional Heads Committee which is mandated to meet periodically and give feedbacks to management. It was the view of management that this would bridge communication gap between the two levels. The salaries of the deputies were fixed after an exhaustive appraisal of their qualifications and experience in line with the requirements of such a position.</p>
d.	<p>That the Auditor General has health problems and that her condition is so serious that she can no longer climb to her office at the second floor of Lotto Building at Tower Hill. Incapable to supervise her senior managers</p>	<p>The lifts at Youyi Building are manned by operators who are extremely necessary in a situation where there is no constant supply of electricity. The lift at Lotto is unmanned and because the generator at Lotto is temporarily out of order there is no backup in case anything happens. The Auditor General does not wish to lose her head like the man at Delco lift some years ago. Lifts are installed in buildings because they are considered necessary. The Auditor General is quite capable of supervising not only staff at Lotto but also Youyi and Secretariat Buildings, Ministry of Works, Road Transport Department, Bo and Kenema.</p>

	<b>Issues</b>	<b>Reactions</b>
e.	That some senior managers have exhausted their term of office and that they continue to hold on because of corrupt practices. That two senior officers of the Commission have limited themselves to auditing Sierra Leone embassies abroad. Awarding them per diems when they do not carry out the work immediately	Two Deputies had their services extended by the Board, while the recruitment of suitable deputies is being pursued. The audit of certain Missions abroad is usually designated to the position of the Auditor General and Deputies. Other Embassies and Missions are audited by Assistant Auditors General and Principal Auditors. The choice of personnel to carry out such work depends on their level of competence, experience, personality, tactfulness, interpersonal relationship, politeness etc which will be required when dealing with members of the Diplomatic Corps.
f	That fuel meant for technical and administrative functions are allegedly stolen and shared among senior and junior members of staff. That 200 gallons of fuel estimated at Le26,000,000 have been frequently siphoned over the last two years	There is an ongoing investigation on the unauthorized issue of fuel for which the organization had paid to a company. The investigation will soon be concluded and appropriate action will be taken on the matter against the company and officers.
g.	Sexual harassment by a certain senior member of staff. That sex has become a condition to benefit from training and other opportunities	<p>Management is not aware of sexual harassment, as the selection of officers for training is done by the full management on the basis of merit, qualification and fulfillment of the particular training requirement.</p> <p>Candidates for some of the training programmes e.g African Organisation of Supreme Audit Institutions – English Speaking (AFROSAI-E) are pre-selected by the organizers before the announcement of the training. In these circumstances, the Audit Office has no authority over the selection.</p> <p>Since the ratio of male to female benefiting from training is 9:1, it is implied that the Auditor General, who allegedly has health problems, has become a sex maniac and so strong as to sexually harass all males benefiting from training and other opportunities.</p>
h.	That the Auditor General is still boasting that no one can remove her from office whilst others also boast openly of infiltrating the APC to have their ways.	<p>People who have met the Auditor General can testify that she is quite humble and does not boast.</p> <p>Removal of the Auditor General is governed by the Constitution of Sierra Leone. This office does not take part in politics so the allegations are simply false.</p>

**REACTION TO NEWSPAPER REPORTS**  
**STANDARD TIMES NEWSPAPER –**  
**TUESDAY 20<sup>TH</sup> NOVEMBER 2007**

**HEADLINE: CIVIL SOCIETY TO PETITION AUDITOR GENERAL’S OFFICE**

	<b>Issues</b>	<b>Reactions</b>
a.	That the Coalition of Civil Society and Human Rights Activists in Sierra Leone have expressed dismay over the office of the Auditor General and that they intend to take the holder to task. The reason according to them is due to what they describe as the laggardness, impotency and failure of the institution to carry out its constitutional responsibility regarding public office in the country.	At no time has the Coalition of Civil Society and Human Rights Activists in Sierra Leone expressed dismay over the office of the Auditor General or stated that they intended to take the holder to task. The office is actively carrying out its mandate of which the editor is perhaps ignorant.
b.	That despite the Auditor General’s office receives support from the government and its partners such as UN, DFID to name but a few to enhance its capacity in order to perform effectively, the country has been rated by the Transparency International (TI) as one of the most corrupt in the world.	<p>The office does not receive any support from UN. The editor is advised to check his stories before publication.</p> <p><b>General Comments</b></p> <p>The editor of this newspaper is famous for fabricating stories on the Auditor General’s Office. In one instance he was asked by the Independent Media Commission (IMC) to retract his story which he did. On another instance, even though he was informed by the British High Commission that his publication was false, he failed to do so. Articles in this newspaper clearly fall under irresponsible journalism aimed at tarnishing people’s character or the reputation of institutions.</p>