



**National Assembly of Guyana
Public Accounts Committee**

**The Report of the Public Accounts
Committee on the Public Accounts of
Guyana for the years 2012, 2013 & 2014**

Eleventh Parliament (2015-2017)

Report together with the Minutes of Proceedings

Presented to the National Assembly

On July 27, 2017

Background

The Public Accounts Committee (PAC) was established in British Guiana in 1957 by Standing Order No.70 (2) and is now provided for by Standing Order No.82 (1) of the National Assembly. This Standing Committee is established at the commencement of the life of each Parliament and continues for the duration of the National Assembly, unless the National Assembly provides otherwise. Thus, the business before it does not lapse by session, but continues into the life of the next Parliament.

The Chairmanship of this Committee resides in a Member of the Main Opposition in the National Assembly. As it relates to public monies, each Budget Agency is responsible for the accuracy of maintaining detailed records of the transactions and through Statutory Bodies maintain separate accounting and reporting system that are required to provide financial data to the Audit Office.

Introduction

The Auditor General is required to submit his report on the public accounts to the Speaker of the National Assembly no later than nine (9) months after the close of the year in accordance with Section 4 (2) of the Fiscal Management and Accountability Act.

The Public Accounts Committee (PAC) adopted the methodology, as that of previous years, in obtaining testimonies from Public Officers. Prior to appearing before the PAC, the Heads of Budget Agencies were written to requesting them to offer their comments on the relevant sections of the Auditor General's Reports relating to their areas of responsibilities. Their responses would then be circulated to Members and Advisers before deliberations began. A total of thirty seven (37) Head of Budget Agencies, along with their Technical Officers, appeared before the Committee to give evidence and to assist the PAC in its deliberations.

In accordance with Standing Order No. 103 (3) the Minutes of Proceedings are attached hereto (See Appendix 1).

Powers of the PAC

The Public Accounts Committee exercises powers in keeping with the Legislative Bodies (Evidence) Act, Chapter 1:08 which allows for the summoning of witnesses to give evidence and or provide documents to the Committee. The Act also provides for a person who refuses or neglects to attend without sufficient cause to be apprehended and held in custody for a period not exceeding one week.

The Public Accounts Committee's (PAC) – Mandate

The PAC derives its mandate from Article 223 (5-8) of the Constitution of Guyana (2003) and Standing Order No. 82 of the National Assembly of the Parliament of Guyana. The PAC exercises supervisory oversight of the functioning of the Audit Office in accordance with the Rules, Policies and Procedures Manual, the Audit Act and any other Law.

The Committee has the duty to examine the accounts, showing the appropriation of the sums granted by the National Assembly to meet public expenditure and such other accounts laid before the National Assembly as it may refer to the Committee together with the Auditor General's report thereon. In so doing, it ensures that public monies are spent for the purpose authorised by Parliament that extravagance and waste are minimised, and that sound financial practices are encouraged in estimating, contracting and administration, in general. The Public Accounts Committee focuses on the economy and the efficiency of its administration which includes:

1. (a) all central and local government bodies and entities;
(b) all bodies and entities in which the states has a controlling interest; and
(c) all projects funded by way of loans or grants by any foreign state or organisation.

2. The Public Accounts Committee is also responsible for the following:
 - (a) to nominate the members of the Public Procurement Commission for approval by the National Assembly and thereafter, for appointment by the President; and
 - (b) to determine the emoluments and allowance of the Public Procurement Commission in consultation with the Commission.

Current Membership of the Committee

Membership of the Public Accounts Committee is derived in keeping with the seat allocation in the Eleventh Parliament.

Current Members of the Committee (9)

During the Committees' deliberation the Hon. Valarie Patterson, M.P., was promoted Minister within the Ministry of Communities.

Chairman (People's Progressive Party) (1)

Mr. Mohamed Irfaan Ali, M.P.

Members from the A Partnership of National Unity/Alliance for Change (APNU/AFC) (5)

Hon. Volda A. Lawrence, M.P., Minister of Social Protection

Hon. Valarie Patterson, M.P., Minister within the Ministry of Communities

Mr. Jermaine Figueira, M.P.

Mr. Charrandas Persaud, M.P.

Mr. Audwin Rutherford, M.P.

Members from the People's Progressive Party (PPP) (3)

Ms. Pauline Campbell-Sukhai, M.P.

Bishop Juan A. Edghill, M.P.

Mr. Nigel D. Dharamlall, M.P.

Election of Chair

On September 9, 2015, the Committee elected Mr. Mohamed Irfaan Ali, M.P., as its Chairman.

Advisors to the Committee

In keeping with the Financial Regulations the following persons provided technical advice:-

- The Auditor General- (Mr. Deodat Sharma)
- The Finance Secretary- (Dr. Hector Butts)
- The Accountant General (Ag)- (Col. Jawahar Persaud)

Meetings of the Committee

The Public Accounts Committee held twelve (12) meetings during the first Session of the Eleventh Parliament (2015-2016), to examine the public accounts of Guyana for the fiscal years 2012, 2013 and 2014 and the Auditor General's Reports thereon on the following dates:

- 23rd November, 2015
- 24th November, 2015
- 25th November, 2015
- 18th January, 2016
- 25th January, 2016
- 9th May, 2016
- 16th May, 2016
- 30th May, 2016
- 6th June, 2016
- 13th June, 2016
- 20th June, 2016
- 27th June, 2016

Government Response to PAC's Report

Standing Order No.82 (3) states that within ninety (90) days of the presentation of the PAC's report, the Government shall table its Treasury Memorandum, as its response thereto. The Committee, notes with satisfaction that the Government had tabled Treasury Memoranda for those reports submitted.

Summoning of Head of Budget Agencies

The Public Accounts Committee notes that in some instances Head of Budget Agencies who were Accounting Officers responsible for the accounting operations of an Agency during the period of the Auditor General's Report, had been transferred to other Agencies, or were no longer in the system when the Reports on the Public Accounts were being examined. In such instances, the Committee would, however, request those persons to avail themselves to assist the Committee in its enquiry.

General Challenges observed across Budget Agencies

On 23rd November, 2015, the Committee began its deliberation of the 2012, 2013 and 2014 Auditor General's Reports, where a number of issues were highlighted. The main issues are as follows:

- ❖ Across Budget Agencies, Accounting Officers and engineering staff appear to persistently sign off incomplete projects;
- ❖ Accounting Officers were not implementing measures to avoid the recurrence of overpayment in its entirety;
- ❖ Performance Bonds and Insurance were seldom utilised as surety by the Government Agencies against substandard and incomplete work done by contractors;
- ❖ Accounting Officers were continually having staled-dated cheques in their possessions;
- ❖ There exists persistent non – adherence to Stores Regulations;

- ❖ They were instances of monies not refunded to the Consolidated Fund;
- ❖ There exists a failure by some Subvention Agencies to submit financial statements;
- ❖ Logs books were not properly maintained across the Agencies;
- ❖ Some Accounting Officers appearing before PAC were not properly prepared for the deliberations;
- ❖ The issue of outstanding Cheque Orders persist, especially in the Regions;
- ❖ Outstanding Police Reports for incidents reported continues to be a challenge;
- ❖ Missing File Jackets for Court cases cited in the Auditor General's Report continue to be a challenge;
- ❖ Frequent use of sole sourcing as a part of the procurement system;
- ❖ Accounting Officers are not adhering to recommendations by the Committee to address repetitive challenges;
- ❖ Performance Bonds, Mobilisation Bonds and Insurance were not extended for life of projects;
- ❖ The Regions continue to have a number of vacancies yet to be filled; and
- ❖ Expired drugs were donated to the Regions.

Overpayments to Contractors

The Public Accounts Committee notes that, at the time of reporting, there were numerous instances of overpayments to contractors by some Ministries, Regions and Agencies. The overpayments were as a result of payments made for works without prior assessments. However, at the time of the examination of the public accounts, the Heads of some Budget Agencies reported that some of the overpayments were recovered. Some of these Agencies are as follows:

- i. Ministry of Tourism, Industry and Commerce
- ii. Ministry of Home Affairs
- iii. Ministry of Education
- iv. Supreme Court of Judicature
- v. Region No. 3 – Essequibo Islands/West Demerara
- vi. Region No. 10 – Upper Demerara/Upper Berbice

While the Committee wishes to applaud those respective Heads who have recovered, or have made attempt to recover overpayments, it notes that the following Agencies continue to be aberrant in this regard:

- i. Ministry of Agriculture
- ii. Region No. 1- Barima/ Waini
- iii. Region No. 4 – Demerara/ Mahaica
- iv. Region No. 5 Mahaica/ Berbice
- v. Region No. 8– Potaro/Siparuni
- vi. Region No. 9 – Upper Takutu/Upper Essequibo

Recommendation: *The Committee recommends that the Head of Budget Agencies take all necessary steps to recoup overpayments.*

Refund of Salaries and Consequential Deductions

The Committee commends some Ministries and Regions for the efforts made to recover monies from the National Insurance Scheme (N.I.S) and Guyana Revenue Authority (GRA) with respect to deductions that were paid inadvertently.

The Committee also expresses dissatisfaction with regard to those Heads of Budget Agencies who failed in recovering such deductions.

Breach of the Procurement Act 2003 and Regulations

The Committee expresses concern over the continued disregard for the application of the Procurement Act and adherence to the Tender Board Regulations by Head of Budget Agencies of the Regional Administrations.

Outstanding Police Reports – Loss of Public Property and Funds

Investigations into matter reported to the Police by Heads of the Budget Agencies of the Ministry of Public Works, Ministry of Agriculture, Region No. 4 and Region No. 6 remain incomplete, the Committee notes that Region No. 6 matter dates as far back as 2007.

Non- adherence to Stores Regulations

The Committee notes that the following Agencies continue to breach the existing Stores Regulations:

- Office of the President
- Ministry of Legal Affairs
- Ministry of Labour, Human Services and Social Security
- Ministry of Health
- Ministry of Education
- Guyana Elections Commission
- Regions No. 1, 3 and 9

Maintenance of Log Books

The Committee commends Ministries and some Regions for the efforts made to maintain log books. However, the Committee notes that the Supreme Court of Judicature and Region No. 8 continue poor record-keeping as it relates to log books for its fleet of vehicle and equipment.

Un-cleared Payment Voucher and Cheque Orders

The Committee expresses alarm over the continued disregard for the regulations governing the clearing of Payment Vouchers and Cheques Orders by the Heads of Budget Agencies of Ministries/ Departments and Regional Administrations, namely:

- Ministry of Amerindian Affairs
- Regions No. 1,2,3,4,5,6,8,9 and 10

Non- submission of Financial Statements by Subvention Agencies

The following Agencies continue to operate in breach of Section 80 of the Fiscal Management and Accountability Act with regard to the preparation and timely submission of financial statements:

- National Parks Commission
- Georgetown Public Hospital Corporation
- National Sports Commission
- National Trust

Non-refund of monies to the Consolidated Fund

Appropriation Accounts for the following Agencies continue to be overstated due to failure to credit unspent balances to the Consolidated Fund in accordance with Section 43 of the Fiscal Management and Accountability Act 2003:

- Ministry of Foreign Affairs
- Office of the President
- Ministry of Labour, Human Services and Social Security
- Ministry of Health
- Ministry of Culture, Youth and Sports
- Ministry of Local Government
- Region No. 8

Non-establishment of the Public Procurement Commission

On 23rd November, 2015, the Committee agreed on the following method for the selection of nominees to the Public Procurement Commission. It agreed to re-advertise for nominations for the Public Procurement Commission. On 25th January, 2016, the Committee agreed to extend the deadline for submission of the nominations. On the 18th April, 2016, the Committee agreed to form a sub-Committee with the mandate to review all the submissions received and report to the Committee.

SPECIFIC ISSUES RELATING TO SOME MINISTRIES, DEPARTMENTS AND REGIONS

Ministry of Natural Resources and the Environment

The Committee notes the mechanisms put in place for the purchasing of fuel and lubricants from the Guyana Oil Company.¹

Recommendation: *The Head of the Budget Agency should prepare payments by cheque orders which will alleviate the possibility of end of the year liabilities.*

Ministry of Public Works

The Committee expresses grave dissatisfaction that the works undertaken on the Cheddi Jagan International Airport access road have been delayed for the past three years.²

The Committee was informed that the matter of the stolen payroll was still being investigated by the Police; and several reminders were made seeking a conclusion to this matter.

Recommendations: *The Auditor General's Engineering Department should conduct a physical check on the CJIA access road.*

The Head of Budget Agency through his Minister should seek Cabinet's approval to have the amount written off in respect of the stolen payroll.

Office of the President

The Committee congratulates the Head of Budget Agency on the timely submission of all Financial Statements and Audit Reports laid in the National Assembly.

¹Para 282 of 2014

²Para 290 of 2014

The Committee notes that the damaged laptops from the Project of One Lap Per Family were as a result of defective batteries.³

Recommendation: *The Head of Budget Agency should request the obsolete laptops be discarded.*

Supreme Court of Judicature

The Committee notes with great concern several issues highlighted in the Auditor General's Report as it relates to: missing case jackets, non-approvals from Departmental Tender Board, National Procurement and Tender Administration Board and non-compliance with Stores Regulations.

Recommendations: *The Head of the Budget Agency explore the option of electronic storage for the concluded cases as well as those still in the system to eradicate missing jackets.*

Guyana Elections Commission

The Committee expressed concern as it relates to the sixteen (16) water tanks that were stolen and that the Agency should not be made to suffer from the loss.

The Head of Budget Agency explained that the Police's report had found no one culpable of the missing water tanks and seeks guidance on the way forward.

Recommendation: *The Head of Budget Agency seeks reimbursement from the Security Firm for the missing/stolen water tanks.*

³Para 83 of 2013

Ministry of Labour, Human Services and Social Security

The Committee expressed strong concern with respect to a number of issues flagged in the Auditor General's Report relating to the database for Old Age Pension and updates from the General Register Office not done in a timely manner.

Guyana Police Force

The Committee explored the process used to dispose of the deteriorated state assets (uniforms of the Force).

The Head of Budget Agency stated that the uniforms were taken to a secured location and burnt.⁴

Recommendation: *The Auditor General or a representative of the Audit Office should be present to verify state assets are being destroyed.*

Georgetown Public Hospital Corporation (Subvention Agency)

The Committee expressed concern with the breach of the Fiscal Management and Accountability Act where the Agency failed to adhere to the recommendation of not opening a bank account as stipulated by law.

The Head of Budget Agency explained that the Agency wrote to the former Finance Secretary seeking permission to open a bank account, however, that request was denied.

Recommendation: *The Head of Budget Agency engage the Finance Secretary on the way forward on opening of bank accounts.*

Ministry of Health

The Committee expressed concern that the Head of Budget Agency did not return funding due to late delivery by suppliers and/or requests for an extension of the contract periods.

⁴Para 437 of 2014

The Head of Budget Agency explained that debarment and blacklisting in accordance with the Procurement Act would also be used as a deterrent to late delivery by suppliers.⁵

Recommendation: *The Head of Budget Agency work with the Finance Secretary to blacklist/debar suppliers who failed to deliver their supplies in a timely manner based on legal advice from the Attorney General's Office in accordance with the Procurement and FMA Act.*

Ministry of Culture, Youth and Sport

The Committee notes that revenues received from the rental of the Guyana National Stadium and the sale of the Guyana Classic were not deposited into the Consolidated Fund.

Recommendation: *The Head of Budget Agency must deposit all revenues collected into the Consolidated Fund whether it is from the rental of the Stadium or from other sources.*

Ministry of Education

The Committee raised concerns relating to five (5) vehicles outside of the Ministry's fleet receiving fuel and lubricants from GUYOIL.⁶

Recommendation: *The Head of Budget Agency submits a list of vehicles licence numbers and conduct regular reconciliation (monthly) with GUYOIL which would enable the Ministry to track vehicles that are collecting fuel on behalf of the Ministry.*

Ministry of Local Government

The Committee continues to raise concern that the Head of Budget Agency operates in breach of the Municipal and District Council Act and that some personnel within the Town Councils did not follow the procedure for preparation of financial statements.

⁵Para 392 of 2014

⁶Para 314 of 2014

The Committee wishes to highlight the Linden Town Council, for incomplete submissions and the non-submission of financial statements for the years 1985 to 2010 and 2011 to 2013, respectively.

Recommendation: *The Head of Budget Agency ensures that financial statements are submitted within the statutory deadline.*

Region No.1 - Barima/Waini

The Committee expressed concern at the large amount of outstanding cheque orders not being cleared by the Head of Budget Agency.

Recommendation: *The Committee recommends the Agency complies with the regulation governing the clearing of cheque orders as defined by the Fiscal Management and Accountability Act.*

Region No. 2 – Pomeroon /Supenaam

The Committee urged the Head of Budget Agency to collect payments relating to government living quarters, from the occupants.

The Head of Budget Agency stated that delinquent occupants were written to and as of July 1, 2016, all outstanding payments are expected to be collected and defaulters would be asked to vacate the premises.⁷

Recommendation: *The Head of Budget Agency should be guided by documentation from the Finance Secretary, the Public Service or the Minister for a policy decision on the way forward.*

⁷ Para 503 of 2014

Region No. 4 – Demerara/Mahaica

The Committee raised concern that three (3) unauthorised vehicles were collecting fuel at the Guyana Oil Company on behalf of the Region.⁸

Recommendation: *The Head of Budget Agency provides a list of vehicles that are authorised to uplift fuel from GUYOIL.*

Region No. 5 – Mahaica/Berbice

The Committee expressed dissatisfaction at the Head of Budget Agency's failure to recover overpayments from contractors and the clearance of cheque orders.

Recommendations: *The Head of Budget Agency adheres to the sixteen (16) days regulation for the clearing of cheque orders; and*

The Head of Budget Agency presents all documentations for awarding of contracts to the Audit Office for audit examination and the Procurement Act must be fully complied with at all time.

Region No. 6 – East Berbice/Corentyne

The Committee expressed concerns relating to the unaccounted fuel and lubricants since 2007.

Recommendation: *The Head of Budget Agency follow-up with the Police on the issue of unaccounted fuel and lubricants.*

⁸ Para 323 of 2012, 383 of 2013 & 522 of 2014

IMPROVEMENT IN MINISTRIES, DEPARTMENTS AND REGIONS

The Committee expresses satisfaction with those Agencies that have shown improvement in the management of their financial affairs over the years.

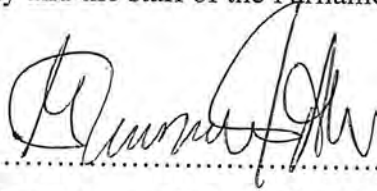
General Proposed Recommendations:

- a) New Accounting Officers should acquaint themselves with the various tools for guidance such as the Stores Regulations 1993, the Procurement Act 8/2003, the Audit Act 5/2004 and the Fiscal Management and Accountability Act 20/2003.
- b) The language used in the Auditor General's Report should be consistent throughout the Report.
- c) Dishonest Accounting Officers and Engineering Officers should be removed from the system.
- d) The Finance Secretary should recommend the criteria for the writing off of losses and make it available to all government agencies.
- e) Continuous training for new and current Heads of Budget Agencies should be conducted.
- f) Donation of drugs by donor agencies should have longer shelf life.
- g) All warrants must be cleared by 15th December of the current year.

CONCLUDING REMARKS AND ACKNOWLEDGEMENT

The Public Accounts Committee, through its Chairman, wishes to express sincere gratitude to the other Members of the Committee for their contribution to the work of the Committee and for the non-partisan approach they have adopted throughout the deliberations of the Committee. It was indeed hard work spanning a period of approximately several months.

The Advisors to the Committee: the Auditor General, the Finance Secretary and the Accountant General and their support staff have all assisted the Committee in no small measure. It has certainly been a learning experience in public accountability. Finally, the Committee will be remiss if it did not offer a special word of thanks for the overwhelming administrative support of the Clerk of the National Assembly and the staff of the Parliament Office.

A handwritten signature in black ink, appearing to read 'Mohamed Irfaan Ali', written over a dotted horizontal line.

Mr. Mohamed Irfaan Ali, M.P.,

Chairman

July 10, 2017

APPENDIX 1
(Minutes of Proceedings)

THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF
THE ELEVENTH PARLIAMENT OF GUYANA (2015)

MINUTES OF THE
3RD MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 2.00 P.M
ON WEDNESDAY, 23RD NOVEMBER, 2015
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON(1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P.,
Minister of Social Protection

Mr. Jermaine Figuera, M.P.

Ms. Valarie Patterson, M.P.

Mr. Charrandas Persaud, M.P. - Excused

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P.

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P.

Advisors

The Auditor General - (Mr. Deodat Sharma)

The Finance Secretary - (Dr. Hector C. Butts)

The Accountant General (Ag) - (Col. Jawahar Persaud)

Officers

Mr. Nickalai Pryce	- Clerk of Committees
Ms. Tracy Armstrong	- Assistant Clerk of Committees
Ms. Dellon Adams	- Assistant Clerk of Committees

In attendance

Ms. Abiola Bazil	- Research and Analytical Assistant
Ms. Michelle Chung	- Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 2.15pm.

ITEM 2: ANNOUNCEMENTS

2.1 Welcome:

2.1.1 The Chairman extended a warm welcome to the Members, Staff and Advisors of the Committee. He acknowledged the Hon. Volda Lawrence, M.P the former Chairperson and a long standing Member of the PAC who would be leading the Government side.

2.2 Excuses:

2.2.1 The Chairman informed the Committee that Mr. Charrandas Persaud, M.P., was out of the jurisdiction and would return on the 26th November, 2015.

ITEM 3: CIRCULATION OF DOCUMENTS

3.1 The following documents had been circulated prior to the meeting:-

- (i) Notice of the 3rd Meeting dated 17th November, 2015;
- (ii) Minutes of the 2nd Meeting held on 16th September, 2015;
- (iii) The Audit Office of Guyana Briefing Notes to the Public Accounts Committee on the Reports of the Auditor General for the years 2011 and 2012 with respect to the following agencies:
 - Ministry of Natural Resources;
 - Ministry of Housing and Water;
 - Ministry of Foreign Affairs, and
 - Ministry of Tourism, Commerce and Industry
- (iv) Ministry of the Presidency's responses to the examination of the 2013 Report of the Auditor General;
- (v) Audit Office of Guyana Budget Proposal 2016 Briefing Notes- Current and Capital Expenditure;
- (vi) Audit Office of Guyana- Annual Performance Report for the year ended 31st December, 2014, and
- (vii) Audit Office of Guyana- Estimates of Current and Capital Expenditure for 2016.

3.2 The following documents were circulated at the meeting:

- (i) Record of proceeding of the 2nd Meeting of the Public Accounts Committee dated 16th November, 2015;
- (ii) Audit Office of Guyana Performance Report for the First Quarter – January- March, 2015;
- (iii) Audit Office of Guyana Performance Report for the Second Quarter – April- June, 2015;
- (iv) Audit Office of Guyana Performance Report for the Third Quarter – July- September, 2015;

- (v) Ministry of Housing and Water responses to the examination of the 2013 and 2014 Reports of the Auditor General, and
- (vi) Ministry of Tourism, Commerce and Industry Report for 2013 and 2014

ITEM 4: CORRESPONDENCE

4.1 Incoming:

- Letter dated 17th November, 2015, to the Chairman of the Public Accounts Committee from the Audit Office of Guyana re: Request for the Permission to Advertise for the Provision of the Audit Services.

4.2 Outgoing:

- A letter dated 16th November, 2015, to the Ministry of Natural Resources and Environment re: 2013 and 2014 Public Account- Notice of and Invitation to attend PAC Meeting on Monday, 23rd November, 2015;
- A letter dated 16th November, 2015 to the Ministry of Housing and Water re: 2013 and 2014 Public Accounts – Notice of and Invitation to attend PAC Meeting on Monday, 23rd November, 2015;
- A letter dated 16th November, 2015 to the Ministry of Foreign Affairs re: 2013 AND 2014 Public Accounts – Notice of and Invitation to attend PAC Meeting on Monday, 23rd November, 2015, and
- A letter dated 16th November, 2015 to the Ministry of Tourism, Commerce and Industry re: 2013 and 2014 Public Accounts – Notice of and Invitation to attend PAC Meeting on Monday, 23rd November, 2015.

ITEM 5: CORRECTION AND CONFIRMATION OF THE 2ND MINUTES HELD ON THE 16TH NOVEMBER, 2015

5.1 Confirmation

- 5.1.1 The Minutes were confirmed, without corrections, on a motion moved and seconded by Mrs. Pauline Sukhai-Campbell, M.P., and Mr. Nigel Dharamlall M.P., respectively.

ITEM 6: MATTERS ARISING

- 6.1 **Page 5, paragraph 6.1.3-To consider time-frame for the examination of the Reports of the Auditor General on the Public Accounts of Guyana for the Fiscal years ended 31st December, 2012 and 2014**
- 6.1.1 A Member drew Members' attention to the above mentioned paragraph and reminded the Committee that Tuesday was a prescribed statutory meeting day for Cabinet, and therefore, the Government side would be unable to attend the meeting scheduled for Tuesday, 24th November, 2015.
- 6.1.2 She also enquired whether the Committee had a deadline to complete the examination of the public accounts of the Agencies, since, she was of the view that the Committee was trying to hasten the examination process.
- 6.1.3 In response, the Chairman pointed out the notwithstanding statutory meetings of Cabinet were held on Tuesdays, Members of Government attended Parliamentary meetings.
- 6.1.4 Noting the difficulties Members of the government might face in attending meetings on Tuesdays, the Chairman suggested in future the Committee would exclude Tuesday's from its schedule.

ITEM 7: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/Other	Paragraphs in the Auditor General Report		Accounting Officer
Ministry of Natural Resources and the Environment	195 (1)	281-285 (5)	Mr. Joslyn McKenzie

- 7.1 At 2.50 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Ministry of Natural Resources and the Environment together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

7.1.1 Officers present for the examination were:

- (1) Mr. Joslyn McKenzie - Permanent Secretary
- (2) Mr. Nichelle Patterson - Principal Assistant Secretary (Finance)

7.2 Paragraph 281- Tabling of Annual Reports for the year 2014 in the National Assembly

- 7.2.1 In response to a query, the Accounting Officer indicated that all the Annual Reports for the Agencies for the year ending 31st December, 2014 have been laid in the National Assembly. However, there were a few outstanding Audited Financial Statements that were subsequently submitted to the Audit Office to be finalised.
- 7.2.2 Further clarification was sought with regard to the delay in the completion of the Audit Reports for the years 2010, 2011, 2012 and 2013. The Auditor General informed Members that the Audits have been sub-contracted to a private contractor with a view to having the audits up-to-date. However, the Annual Performance Report for the Agencies had been laid in the National Assembly.
- 7.2.3 Emanating from the discussions which ensued, it was recommended that the Auditor General provide an up-to-date report on the audits that were contracted out, in relation to the Guyana Lands and Surveys Commission with a view to having the reports laid in the National Assembly at the earliest date.
- 7.2.4 A Member queried whether the Audited Reports for the years 2008 to 2010 with regard to the National Parks Commission (NPC) were finalised.
- 7.2.5 The Auditor General informed Committee that he was in the process of conducting audits for the National Parks Commission. However, due to the changes with regard to accounting staff, the Financial Statements were subsequently returned for corrections.
- 7.2.6 The Chairman reminded the Accounting Officer that all Financial Statements should be submitted within the statutory deadline.

7.3 Paragraph 282- Purchase of fuel and lubricants totalling \$ 7.998M

7.3.1 A Member enquired whether payments to the Guyana Oil Company (GUYOIL) were up-to-date and questioned whether there were instances of abuse in the allocation of fuel. The Accounting Officer in his response informed the Committee that during his tenure no abuse of fuel occurred, and that the following mechanisms were put in place:

- In order to uplift fuel, a requisition order must be done in triplicate copies;
- Reconciliation was done on a weekly basis, and
- Logbooks are checked on a weekly basis and are signed off by the Supervising Officer

7.3.2 Noting the response given by the Accounting Officer, the Accountant General advised that at the end of the year, payment by cheque order should be stopped with a view to alleviate the possibility of end of the year liabilities.

7.4 Paragraphs 284 and 285 – Construction of revetments, rehabilitation of walkway, purchase of generator, welding plant, slasher, chipper, brush cutter and restraint equipment totaling \$16.524M

7.4.1 The Accounting Officer informed Members that the monies allocated, were utilised for the procurement and construction of the items. However, the purchase of the tractor was no longer practical since the Ministry had acquired solar powered units through the support of bilateral partners.

7.4.2 He also stated that 10% of the contract sum was withheld for defects liability. However, with regard to the abovementioned contract sum, an amount of less than 10% was withheld as defects liability.

7.4.3 Noting the Accounting Officer response, Mr. Smith, Director (ag) Works and Structure, Audit Office proffered an explanation. He stated that it was customary for 10% of the contract sum to be retained for defects liability until the practical completion certificate was issued. Upon the issuance of the certificate, the first component is paid and at the end of the defect liability period, the remainder is paid.

7.4.4 At 3.28 p.m. the Committee concluded the examination of the above accounts. The Chairman then thanked the Accounting Officer and his team for their presence at the meeting. He was advised to work assiduously in ensuring that all Financial Statements are submitted within the statutory deadline and to ensure that the Ministry works in accordance with the accounting systems.

ITEM 8: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraph in Auditor General's Report		Accounting Officer
Ministry of Housing and Water	256 (1)	360- 363 (4)	Mr. Emil McGarrell

8.1 At 3.35 p.m., the Committee proceeded to consider the Report of the Public Accounts with respect to the Ministry of Housing and Water together with the comments submitted by the Accounting Officer for the years 2013 and 2014

8.1.1 Officers present for the examination were:

- (i) Mr. Emil McGarrel - Permanent Secretary
- (ii) Ms. Abena Moore - Deputy Permanent Secretary
- (iii) Mr. Jaigobin Ram - Director of Finance
- (iv) Mr. FazalWahab - Director of Projects
- (v) Ms. Karen Roopchand - Project Coordinator. CIIP, CRIP
- (vi) Mr. Michael Blackman - Project Coordinator. CIIP, CRIP
- (vii) Mr. Nigel Niles - Company Secretary
- (viii) Ms. Theola Harper - Chief Accountant
- (ix) Mr. Reaz Abraham - Accountant, CP&HA

8.1.2 At this point, the Chairman recused himself from the meeting and Ms. Pauline Campbell-Sukhai, M.P assumed duties as Presiding Officer.

- 8.2 Paragraph 256- Subvention for the Guyana Water Incorporated (GWI) and Central Planning and Housing Authority (CPHA) totalling \$250M and \$150M respectively**
- 8.2.1 Based on an enquiry by a Member, as to the reason why an unqualified opinion was given by the Auditor General. The Auditor General explained that an unqualified opinion was issued since there were no discrepancies found. He also stated that in future whether there was a "*qualified*" or "*unqualified*" opinion it would be stated on the other ministries.
- 8.3 Paragraphs 361 and 362- Community Infrastructure Improvement Project (CIIP) unspent balance totalling \$ 90.997M**
- 8.3.1 Based on a query, as to whether approval was given by the Ministry of Finance for the project to be rolled over to 2015, the Accounting Officer indicated that the Ministry was still awaiting approval from the Finance Secretary for the opening/maintenance of the accounts. He also stated that the Finance Secretary had issued approval for multi-year projects under the programme.
- 8.3.2 Noting the explanation given by the Accounting Officer, the Auditor General informed Members that he was not privy to the approval to have the project rolled over. However, he was aware of a letter that had been sent to the Finance Secretary requesting approval for the account to be opened.
- 8.3.3 Following the disclosure by the Auditor General, it was suggested that the paragraph be flagged to allow the Accounting Officer adequate time to provide the Auditor General with the necessary documentation that was issued for the approval of the rollover of the project.
- 8.3.4 At 4.05 p.m., the Committee concluded the examination of the above Accounts. The Presiding Chairperson, thereafter, thanked the Accounting Officer and his team for attending the meeting.

ITEM 9:

EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/Other	Paragraphs in the Auditor General's Report		Accounting Officer
Ministry of Tourism, Industry and Commerce	188-194 (6)	269-280 (12)	Mr. Derrick Cummings

9.1 At 4.05 p.m., the Committee proceeded to consider the Report of the Public Accounts with respect to the Ministry of Tourism, Industry and Commerce together with the comments submitted by the Accounting Officer for the years 2012 and 2013.

9.1.1 Officers present for the examination were:

- (i) Mr. Derrick Cummings - Permanent Secretary
- (ii) Ms. Deborah Mc Nichol - Deputy Permanent Secretary (Ministry of Tourism)
- (iii) Ms. Kim Stephen - Deputy Permanent Secretary (Ministry of Business)
- (iv) Ms. Dacia Ferguson - Chief Accountant
- (v) Ms. Candelle Walcott- Bostwick - Executive Director (ag) GNBS
- (vi) Ms. Mignon Hope - Chief Accountant (ag) (Ministry of Tourism)
- (vii) Ms. Sharon Alexander - Director of Industry (ag)
- (vii) Ms. Dawn Holder- Alert - Director, Competition & Consumers Affairs
- (x) Ms. Vhasty Singh - Finance Officer, Competition & Consumers Affairs
- (x) Ms. Kushana Archer - Consumer Affairs Officer- Education
- (xi) Ms. Carla Chandra - Logistics Manager/PATO
Director-GTA
- (xi) Ms. Liloutie Mangra - Accountant Guyana Tourism Authority
- (xiii) Mr. Nancomar Ramdial - General Manager-Arthur Chung Conference Centre

- | | | |
|--------------------------------|---|--|
| (xiv)Mr. Doodnauth Chan | - | Senior Personnel Officer,
Ministry of Business |
| (xv)Ms. Gayatri Mohan | - | Accounts Clerk II, Arthur Chung
Conference Centre |
| (xvi)Ms. Tamela Sukhdeo- Singh | - | Administrator, National Exhibition
Centre |
| (xvii) Ms. Lusiean Mingo | - | Economist/Analyst |
| (xviii)Ms. Sanchia Persaud | - | Senior Tourism Development
Officer, Ministry of Tourism |

9.2 Paragraph 188- Hiring of Taxis

9.2.1 In light of an enquiry, the Accounting Officer informed the Committee that there was a significant reduction in cost of hiring taxis since the Ministry, through the Guyana Revenue Authority, was able to acquire additional vehicles which were assigned to the fleet of vehicles. In addition, a strict monitoring system had been implemented to scrutinise the use of taxis. In this regard, taxis were only used in cases of emergency and or National Events or festivals. In so doing, approval would only be given by the Permanent Secretary.

9.2.2 Paragraph 189 was considered.

9.3 Paragraph 190- Subsidies and Contributions to Statutory Bodies totalling \$301,282

9.3.1 The Accounting Officer proffered an explanation with regard to the non-submission of Financial Statements for two of the four statutory Bodies/agencies. He stated that Financial Statements for the Competition and Consumers Protection Commission have been submitted for the years 2012 to 2014. In addition, Financial Statement for the years 2006 to 2007 with respect to the Guyana Tourism Authority had also been submitted.

9.3.2 The Committee, while noting that efforts have been made to have the Financial Statement submitted, enquired whether stringent measures were put in place to expedite the process.

9.3.3 The Committee was appraised that there was a boost in the Ministry's financial capabilities with a view to ensuring that all accounts had been brought up-to-date and that Financial Statements submitted within the statutory period.

9.4 Paragraph 191- Overpayments totalling \$193,500 and \$1.230M respectively on the pall off to sections of the internal drains of the National Exhibition Centre, Sophia and the Construction of the western perimeter fence

9.4.1 In response to a Member's query, the Accounting Officer indicated that the contractor, Kares Engineering Incorporated, reneged on the contractual agreement, as such, the works were not completed. Subsequently, the Ministry had employed an engineer who later resigned. However, the Ministry had since re-advertised to fill the vacancy.

9.5 Paragraphs 192 and 193 –Overpayment on contract totalling \$80,000 to the Guyana Power and Light (GPL) for the installation of electricity to Belvedere Estate

9.5.1 The Committee commended the Accounting Officer for the Ministry's ability to recover the overpayments on the contract sum.

9.6 Paragraph 194- Overpayment on contract sum totalling \$4,783,100

9.6.1 In response to queries, Mr. Smith, Director (Ag), Works and Structures from the Audit Office proffered an explanation on the issue. He informed Members that there were discrepancies with the measurement of the road. This was due to the fact that the dimensions on the road were less than what was paid for.

9.6.2 Further clarification was sought to ascertain whether the contractors would accompany the engineers to look at the discrepancies found, with a view to bringing the matter to a closure.

9.6.3 Mr. Smith informed Members that before the physical verification is done an "Entry Form" would be sent to the Accounting Officer to ascertain who the persons responsible for the project are. It was on that premise that a physical verification was subsequently done and the contractor concurred with the measurements.

9.6.4 The Accounting Officer added that inspection of the physical works falls under the purview of the Industrial Development Department, as such, in recent times; the Head of Department would accompany the engineer/technical officer to conduct physical verification. He also stated that the Ministry had sought assistance from the Ministry of Public Infrastructure to provide additional support.

- 9.7 Paragraphs 269 to 277 were considered.
- 9.8 **Paragraph 278- Rehabilitation/Maintenance of the National Exhibition Centre**
- 9.8.1 In response to a query regarding the stale-dated cheque, the Accountant General informed Members that he was not in receipt of the cheque which was sent to be updated. He undertook to provide the committee with the information at the next meeting which would be held on 24th November, 2015.
- 9.9 **Paragraphs 279 to 280- Outstanding advances and payments made on behalf of the Guyana International Conference Centre totalling \$6.621M and \$5.844M respectively**
- 9.9.1 The Accounting Officer, in response to a query, informed the Committee that the Ministry undertook to seek directions from the Accountant General on the way forward.
- 9.9.2 The Committee was also informed that the records were up-to-date and the system was being maintained. In addition, the Ministry has implemented stricter monitoring over the financial aspects and has advertised for qualified personnel to fill the vacancy of Finance Officer.
- 9.9.3 The Committee advised the Accounting Officer that notwithstanding the change with regard to him no longer holding the position of Accounting Officer for the Ministry, handing over of statements should be given to the new Permanent Secretary of the Ministry of Business outlining the observations of the PAC and the issues that should be corrected.
- 9.9.4 At this point the Chairman resumed his duties.
- 9.9.5 At 5.50 p.m., the Committee concluded the examination of the above Accounts. The Chairman, thereafter, thanked the Accounting Officer and his team for their presence at the meeting. He also informed Members that the following Ministries would appear before the Committee at its next meeting:
- Office of the Prime Minister;
 - Ministry of Public Works and Communications, and
 - Office of the President

ITEM 10: AUDIT OFFICE OF GUYANA- ESTIMATES OF CURRENT AND CAPITAL EXPENDITURE 2016

- 10.1 A Member stated that notwithstanding the timeframe by which the budget for the Audit Office was submitted, the Auditor General and his teams should appear before the Committee to present the budget.
- 10.2 The Chairman, however, informed the Committee that the 2016 budget for the Audit Office had already been submitted to the Ministry of Finance.

ITEM 11: ANY OTHER BUSINESS

11.1 PUBLIC PROCUREMENT COMMISSION (PPC)

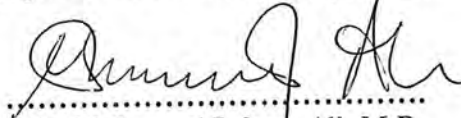
- 11.1.1 The Chairman informed Members that the Committee should examine the procedures for the Public Procurement Commission (PPC) since; the Minister of Finance had publicly urged the Committee to look at the matter. However, some of the submissions for nomination to the Public Procurement Commission were now Members of Cabinet or functioning in other senior capacity.
- 11.1.2 A Member indicated that the Government side was prepared to work with the Committee in a cordial and professional manner. Notwithstanding that, with regards to the matter of the public procurement, a new Government was in place and it would not be in the best interest for the new Members of the Committee to agree to proceed in the manner that was suggested.
- 11.1.3 In addition, an extract on the Public Procurement Commission from the Constitution should be circulated to Members. In this regard, Members would be able to examine/study it, there after; a date would be set for discussions on how the Committee would move forward on this matter.
- 11.1.4 In direct response to the views expressed, a Member stated that the process for the establishment of the Public Procurement Commission was driven by the PAC and Sub-committees of the PAC with consensus on the processes.
- 11.1.5 Salient views were expressed. However, a Member reiterated that there were new Members of the Committee and they should be given an opportunity to, firstly, familiarise themselves with the mandate and what is required according to the Constitution. Further, new Members should *beau fait* with the work of the Committee.
- 11.1.6 At the conclusion of the discussions, Members agreed to the work simultaneously on the following:

- To re-advertised for submissions of nomination for the Public Procurement Commission;
- To seek the advice from the Technical Advisors with regard to better understanding the mechanisms of the PPC in conjunction with the Constitution, and
- Understand the role of the Public Accounts Committee in the appointment/establishment of the PPC.

Adjournment

At 4:53 p.m. the meeting was adjourned to 2.00 p.m., on Monday 24th November, 2015.

Confirmed this..~~13~~..day of April, 2016


.....
Mr. Mohamed Irfaan Ali, M.P.
Chairperson

THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF
THE ELEVENTH PARLIAMENT OF GUYANA (2015)

MINUTES OF THE
4th MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 2.00 P.M
ON WEDNESDAY, 24th NOVEMBER, 2015
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON (1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P., - Excused
Minister of Social Protection

Mr. Jermaine Figuera, M.P. - Excused

Ms. Valarie Patterson, M.P. - Excused

Mr. Charrandas Persaud, M.P. - Excused

Mr. Audwin Rutherford, M.P. - Excused

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P.

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P.

Advisors

The Auditor General - (Mr. Deodat Sharma)

The Finance Secretary - (Dr. Hector C. Butts)

The Accountant General (Ag) - (Col. JawaharPersaud)

Officers

Mr. Nickalai Pryce	-	Clerk of Committees
Ms. Tracy Armstrong	-	Assistant Clerk of Committees
Ms. Dellon Adams	-	Assistant Clerk of Committees

In attendance

Ms. Michelle Chung	-	Research and Analytical Assistant
Ms. Abiola Bazil	-	Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 2.15 pm.

ITEM 2: ANNOUNCEMENTS

2.1 Welcome:

2.1.1 The Chairman extended a warm welcome to Members and Advisors.

2.1.2 He informed the Committee that the Minister of Finance had announced January 2016 was the time-frame for the presentation of the National Budget and as such the Technical Advisors of the Committee would be engaged in finalizing documents for the budget. In light of this, he proposed that the next meeting of the Committee should be after the National Budget 2016. To which Members concurred.

2.2 **Excuses:**

2.2.1 The Chairman informed the Committee that the following Members had asked to be excused from the meeting:

- Hon. Volda A. Lawrence;
- Mr. Jermaine Figuera, M.P.;
- Ms. Valarie Patterson, M.P.;
- Mr. Charrandas Persaud, M.P, and
- Mr. Audwin Rutherford, M.P.

ITEM 3: CIRCULATION OF DOCUMENTS

3.1 The following documents had been circulated prior to the meeting:-

- (i) Notice of the 4th Meeting dated 23rd November, 2015, and
- (ii) Briefing Notes from the Audit Office of Guyana and responses on the Auditor General's Report for the years 2013 and 2014 from the following Agencies:

- Office of the Prime Minister
- Ministry of Public Works; and
- Office of the President.

ITEM 4: CONTINUATION OF THE CONSIDERATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THERON WITH RESPECT TO THE FOLLOWING:

Ministry/Department/Other	Paragraphs in the Auditor General's Report		Accounting Officer
Office of the Prime Minister	84-85 (2)	105-106 (2)	Mr. Omar Shariff

4.1 At 2.20 p.m., the Committee proceeded to consider the report of the public accounts with respect to the Office of the Prime Minister together with the comments submitted by the Accounting Officer for years 2013 and 2014.

4.1.1 Officers present for the examination were:

- | | | | |
|-------|-------------------|---|---|
| (i) | Mr. Omar Shariff | - | Permanent Secretary |
| (ii) | Mr. Balraj Balram | - | Former PS, Office of the Prime Minister |
| (iii) | Christina Mohan | - | PAS (G) |
| (iv) | Thurston Semple | - | CEO, Lethem Power Company |
| (v) | Courtney Harding | - | Mahdia Power and Light |
| (vi) | Shawn James | - | Port Kaituma Power and Light |

4.2 Paragraphs 105 - Audit Reports for Lethem, Port Kaituma and Mahdia Power and Light

4.2.1 The Committee was informed that the agencies under the administration of the National Industrial, Commercial Investments Limited (NICIL) had the ultimate responsibility for arranging the audits and laying the financial statements of those agencies in the National Assembly.

4.2.2 A Member requested an update on the status of the audits with regard to the power companies. In response, the Accounting Officer informed the Committee that the audits for the Mahdia Power and Light had been laid in the National Assembly.

4.2.3 He further explained that the audits for 2013 with regard to the Lethem Power and Light were in progress. However, Mahdia Power and Light for 2013 and Port Kaituma Power and Light for 2014 were being finalized.

4.2.4 The Chairman reminded the Accounting Officer of the statutory regulations with regard to the timely submission of Financial Statements for audit. He suggested that a progress report be submitted to the Committee by the 31st December, 2015.

4.2.5 Thereafter, the Chairman thanked the Accounting Officer and his team for appearing before the Committee and cautioned that should those matters reappear in the 2015 Auditor General's Report, the Committee would recommend strong sanctions.

4.3

Ministry/Department/Other	Paragraphs in the Auditor General's Report		Accounting Officer
Office of the President	73-83 (11)	75-104 (30)	Mr. Omar Shariff

4.3.1 At 2.25 p.m., the Committee proceeded to consider the report of the public accounts with respect to the Office of the President together with the comments submitted by the Accounting Officer for years 2013 and 2014.

4.3.2 Officers present for the examination were:

- (i) Mr. Omar Shariff - Permanent Secretary
- (ii) Mr. Floyd Levi - Advisor on E- Governance
- (iii) Mr. Deonarine Jagdeo - Deputy Director, IAST

4.4 **Paragraph 75-Timely submission of Financial Statements and audit reports.**

4.4.1 The Committee congratulated the Accounting Officer on his efforts to have all Financial Statements and Audit Reports laid in the National Assembly within the statutory time-frame.

4.5 **Paragraphs 76-82-Lethem to Providence E- Governance Project**

4.5.1 The Committee was informed that an Escrow account existed with a total of GYD \$68.816M at the Demerara Bank Limited. This account was related to the E- Governance project. However, the project had been halted since 2013, pending a review by external persons to determine its feasibility.

4.5.2 The Committee then enquired as to the procedure that was used/ followed to procure the services of the persons to conduct the feasibility study and evidence of permission from the National Procurement and Tender Administration Board had been granted for selective tendering.

4.5.3 Following the discussion that ensued, the Accounting Officer requested time to provide a full report to the Committee on the processes that were in place for the E-Governance project.

4.5.4 The Chairman suggested that the Auditor General and the Financial Secretary follow-up on the issue with a view to having it finalised. He also suggested that the paragraph be left opened for further consideration by the Committee after the report would have been submitted.

4.6 Paragraphs 83 – Missing and Damaged Laptops

4.6.1 The Committee was informed that the police report was received. However, those investigations were inconclusive. He further explained that an application had been made to the Finance Secretary to have the items written off.

4.6.2 A Member enquired as to the status of the 9,172 damaged laptops that were issued in 2013. The Accounting Officer informed the Committee that the damages found were as a result of defective batteries. However, replacement of those batteries locally was not feasible and, effort had been made to source them from China at a cheaper rate.

4.6.3 Based on an enquiry on the remaining laptops, the Accounting Officer informed Members that the remaining 2000 laptop had been distributed and another 9000 laptops would be distributed to teachers.

4.7 Paragraph 84- Inter-Departmental Allocation Warrants (IDAW) totalling \$214.394M

4.7.1 The Chairman queried whether the remaining balance of \$93.518M had been transferred to the Consolidated Fund. The Accounting Officer informed the Committee that the matter was under the purview of the Ministry of Amerindian Affairs and not his Ministry.

4.7.2 At this point, the Auditor General and the Chairman reminded the Accounting Officer of his duty to return unspent balances to the Consolidate Fund. The duty of the budget agency to have the amounts were appropriated to have the amounts transferred to the Consolidated Fund and suggested that the Accounting Officer ensure that the Ministry of Amerindian Affairs return the monies to the Consolidated Fund.

4.8 Paragraphs 86 - Non- compliance of Stores Regulations

4.8.1 The Accounting Officer informed the Committee that log books had been issued to all the departments with the exclusion of the Senior Officers. He explained that the Transport Officer has been tasked with checking and verifying all log books are updated.

4.9 Paragraphs 87-100 were considered.

4.10 Paragraph 101- Equipment purchased under National Communications Network (NCN)

4.10.1 A Member drew the Committee's attention to the fact that the Auditor General had reported to have seen equipment valued \$32.496M which had been publicised was not purchased. The Auditor General was asked to verify that the equipment had been found during his audit.

4.10.2 The Accounting Officer informed the Committee that all items listed in the Auditor General's Report were purchased and properly accounted for. However, a request was made to the Finance Secretary seeking approval to utilise the remaining funds for the construction of a fence.

4.10.3 The Committee reminded the Accounting Officer that withholding funds was in violation of the Fiscal Management and Accountability Act, 2003 (FMAA). However, efforts should be made to have the amounts returned to the Consolidated Fund. In addition, the amount should be requested under the 2016 budget.

4.11 Paragraphs 103 and 104- Un-approved expenditure of \$50M on Institute of Applied Science and Technology (IAST)

4.11.1 The Committee was informed that the project was still in the early stages and would become operational as soon as research on the actual gold samples was completed. The initial stage of the project would be done in the form of a technological demonstration with the use of charcoal in an effort to remain environmentally friendly.

4.11.2 Thereafter, the Chairman congratulated the Accounting Officer and team on the matters that were successfully disposed of and urged that they remain committed to accountability and transparency in the expenditure of Government funds.

4.11.3 At 4.15 p.m the Committee concluded the examination of the above accounts. The Chairman then thanked the Accounting Officer and his team for attending at the meeting.

4.12	Ministry/Department/Other	Paragraphs in the Auditor General's Report		Accounting Officer
	Ministry of Public Works	73-83(11)	75-104(30)	Mr Balraj Balram

4.12.1 At 4.20 pm, the Committee proceeded to consider the report of the public accounts with respect to the Ministry of Public Works together with the comments submitted by the Accounting Officer for years 2013 and 2014

4.12.2 Officers present for the examination was:

- (i) Mr. Balraj Balram - Permanent Secretary
- (ii) Mr. Ramesh Gir - Chief Executive Officer (CEO)-
Cheddi Jagan International Airport
- (iii) Mr. Ankar Doobay - Director General (Ag)- Guyana Civil
Aviation Authority;
- (iv) Mr. Rawlston Adams - General Manager - Demerara
Harbour Bridge;
- (v) Ms. Marclene Merchant- General Manager- Transport and
Harbors Dept.;
- (vi) Mr. Stephen Thomas - General Manager (ag.)- Maritime
Administration;
- (vii) Mr. Nigel Erskine - Senior Engineer- Works Services
Group- Ministry of Infrastructure;
- (viii) Mr. Khiraj Bisesar - Engineer – Works Services Group,
Ministry of Infrastructure;
- (ix) Mr. Geoffrey Vaughn - Coordinator- Work Services Group,
Ministry of Infrastructure; and
- (x) Mr. Sunil Ganesh - Chief Roads and Bridges Officer
(Ag.)- Works Group- Ministry of
Public Infrastructure.

- 4.12.3 The Chairman welcomed the Accounting Officer and team and commended the Accounting Officer for displaying an understanding of the importance of having Heads of critical departments accompany him to examination of the Agency.
- 4.13 **Paragraph 286 - Outstanding Police report relating to the Force Accounting Unit stolen payroll totalling \$7.847M**
- 4.13.1 The Committee was informed the matter of the stolen payroll was still being investigated by the police; and several reminders were made seeking a conclusion to this matter.
- 4.13.2 The Accountant General informed the Committee that efforts are being made to verify that the payroll was indeed to pay workers. To which, the Accounting Officer confirmed that the stolen payroll was monies for daily paid workers of the Force Account unit of the Ministry. The Accountant General recommended that the Accounting Officer through his Minister seek cabinet's approval to have the amount written off.
- 4.13.3 Following a discussion, the Committee recommended that all staff should be paid with cheques since they did not have bank accounts. To which the Accounting Officer agreed.
- 4.14 **Paragraphs 287- Outstanding Financial statements**
- 4.14.1 The Committee requested clarity from the Auditor General the reason a disclaimer was issued in relation to the Financial Reports of the Transport and Harbours Department, for the years 2003-2007. In addition, whether the financial statements reflected sums in excess of one billion dollars being unaccounted.
- 4.14.2 The Auditor General in his response stated that the disclaimer had been issued with regard to a reconciliation error by the T&HD. However, the issue was discussed and advice was given on a way forward in correcting the error.
- 4.14.3 A Member noted with concern, public injury and grief suffered by the Officer responsible for the department, when the Reports were laid in the National Assembly. In light of this, the Member recommended that a

correction and explanation be offered in the National Assembly to correct the misconception.

- 4.14.4 The Chairman requested that the Accounting Officer submit a written update on the matter and copied to the Advisors of the Committee in order to rectify the discrepancies to the Officer responsible for the Department before the week ending 4th December, 2015.
- 4.14.5 The Committee was informed that the financial statements and reports for the CheddiJagan International Airport and the Demerara Harbour were up-to-date. Further, the Financial Statements for MARAD for the period 2004-2012 were being prepared by a contracted chartered accountant due to the absence of an accountant in the entity.
- 4.14.6 The Committee congratulated the CJIA for meeting the statutory deadline for its financial statements and reminded the Accounting Officer of his responsible to have the statutory deadline met for the Agencies that fall under purview of the Ministry.
- 4.15 Paragraphs 288-289 were considered
- 4.16 **Paragraph 290 -Delayed Road Improvement and Rehabilitation Programme**
- 4.16.1 The Committee noted with grave dissatisfaction the work undertaken on the Cheddi Jagan International Airport access road being delayed for three (3) years. However, the Coordinator of the Works Services Group of the Ministry of Infrastructure stated that the works were done on the access road within the last four (4) months.
- 4.16.2 A discussion ensued following which the Committee requested that the Auditor General, Engineers' department, conduct a physical check to verify statements made by the Coordinator of the Works Services Group.
- 4.17 Paragraphs 291-299 were considered.

- 4.18 **Paragraph 300-Termination of Rehabilitation/construction of Road Contract at Esau and Jacob to Mora Point, Region# 5, amounting to \$90.164M**
- 4.18.1 The Accounting Officer informed the Committee that the Ministry had taken a decision to terminate the condition that no significant change had been made regarding the rate of progress and the quality of work by the contractor despite several meetings.
- 4.18.2 He further stated that the Ministry had written to the Insurance Company seeking reimbursement of the Mobilisation advanced bond and the Performance Bond. To which the company agreed to pay \$19.525M.
- 4.18.3 The Chairman congratulated the Accounting Officer for the efforts made in recouping the overpayment.
- 4.19 Paragraph 301 was considered
- 4.20 **Paragraph 302 - Studies, design, upgrading and construction of East Bank Berbice, Canals Nos. 1 and 2, West Bank Demerara and Grove to Trimehri Roads.**
- 4.20.1 The Accounting Officer informed the Committee that the contract with the Canadian based company to conduct the feasibility studies on roads in Canal No. 1 and 2 Polder had been terminated for breach of the terms of reference. However, the Ministry was currently considering having the studies completed from Ministry.
- 4.20.2 Based on the Accounting Officer comments, the Chairman recommended the use of resources from the University of Guyana to complete the studies and the performance of the company be reported to the Finance Secretary and the relevant Embassy or High Commission.
- 4.20.3 Thereafter, the Chairman thanked the Accounting Officer and his team for appearing before the Committee and commended the Accounting Officer on his exemplary stewardship of the sector and urged that guidelines be rigidly followed with regard to contractual arrangements.

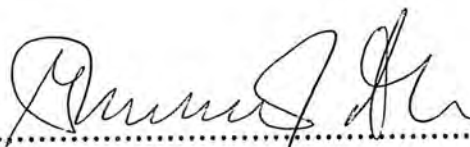
4.20.4

At 6.10 p.m the Committee concluded the examination of the above accounts. The Chairman then thanked the Accounting Officer and his team for their attendance at the meeting.

Adjournment

At 6.14 p.m. the meeting was adjourned to 2.00 p.m., on Wednesday 25th November, 2015.

Confirmed this...day of April, 2016

A handwritten signature in black ink, appearing to read 'Mohamed Irfan Ali', written over a horizontal dotted line.

Mr. Mohamed Irfan Ali, M.P.

Chairman

THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF THE ELEVENTH
PARLIAMENT OF GUYANA (2015)

MINUTES OF THE
5th MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 2:00 P.M
ON WEDNESDAY, 25th NOVEMBER, 2015
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON (1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P.,
Minister of Social Protection

Mr. Jermaine Figuera, M.P.

Ms. Valarie Patterson, M.P.

Mr. Charrandas Persaud, M.P.

- Excused

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P.

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P.

Advisors

The Auditor General - (Mr. Deodat Sharma)
The Finance Secretary - (Dr. Hector C. Butts)
The Accountant General (Ag) - (Col. Jawahar Persaud)

Officers

Mr. Nickalai Pryce - Clerk of Committees
Ms. Tracy Armstrong - Assistant Clerk of Committees
Ms. Dellon Adams - Assistant Clerk of Committees

In attendance

Ms. Michelle Chung - Research and Analytical Assistant
Ms. Abiola Bazil - Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 2.15pm.

ITEM 2: ANNOUNCEMENTS

2.1 Welcome:

2.1.1 The Chairman extended a warm welcome to Members and Advisors to Meeting.

2.2 Excuses:

2.2.1 The Chairman informed the Committee that Mr. Charrandas Persaud, M.P. had asked to be excused from the meeting.

ITEM 3: CIRCULATION OF DOCUMENTS

3.1 The following documents had been circulated prior to the meeting:-

- (i) Notice of the 5th Meeting dated 24th November, 2015,
- (ii) Briefing Notes from the Audit Office of Guyana and responses on the Auditor General's Report for the years 2013 and 2014 from the following Agencies:

- Supreme Court of Judicature;
- Guyana Elections Commission and

(iii) An updated observation sheet by the Auditor General in relation to the Supreme Court of the Judicature and the Guyana Elections Commission (GECOM).

ITEM 4:

CONTINUATION OF THE CONSIDERATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON WITH RESPECT TO THE FOLLOWING:

Ministry/Department/Other	Paragraphs in the Auditor General's Report		Accounting Officer
Supreme Court of Judicature	320-345(17)	459-480(22)	Mr Rashid Mohamed

4.1 At 2.20p.m., the Committee proceeded to consider the report of the Public Accounts with respect to the Supreme Court of Judicature together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

4.1.1 Officers present for the examination were:

- (i) Mr. Rashid Mohamed – Registrar (Ag.)
- (ii) Mr. Lakeram Harrilall – Accountant

4.2 Paragraph 459 was considered.

4.3 Paragraphs 460- Four Unresolved Cases totalling \$14.382M

4.3.1 The Accounting Officer informed the Committee that advice was sought from the Director of Public Prosecutions with regards to the misappropriated sum of \$6.221M from the West Demerara Magisterial Court. The DPP indicated that no further action would be taken against the person charged and the matter was therefore deemed concluded. A Member recommended that the Accounting Officer engage the Accountant General and Finance Secretary to have these matters resolved.

- 4.3.2 The Committee queried the mechanisms in place to safeguard against recurrences of this nature. The Accounting Officer stated that quarterly visits to the various locations are done to ensure proper accounting systems are utilised and monthly reconciliation taken place.
- 4.4 Paragraph 461 was considered
- 4.5 **Paragraph 462- \$696,918 reflecting overpayment to 32 employees.**
- 4.5.1 The Committee was informed that the Agency was successful in recouping small amounts and letters had been sent to remind the former employees however, no response was forthcoming. He explained that after several reminders a decision was taken to write the Attorney General Chambers to have legal action instituted against the former employees.
- 4.5.2 The Committee advised the Accounting Officer to engage the Accountant General to ascertain whether those employees were no longer within the Government system and/or write the Finance Secretary to have the amounts written off. A status on this matter should be submitted report to the Committee on the findings and recommendations of the meeting on Friday, 27th November, 2015.
- 4.6 **Paragraph 463- Two thousand two hundred and fifty case jackets not presented for audit.**
- 4.6.1 The Accounting Officer informed the Committee that a number of case jackets had been located. He explained that the case jackets were not missing but merely misfiled or had not filed away.
- 4.6.2 Based on the Accounting Officer's response and the financial and human implications of the missing case jackets, the Committee enquired on the action taken to ensure that Clerks responsible for filing are monitored.
- 4.6.3 The Accounting Officer informed the Committee that a "Movement of Files" register had been introduced to record the movement of the every jackets with the signature of the Clerks affixed. Further, this register would be monitored by the Clerk of Court for each district.
- 4.6.4 Thereafter, the Committee requested a status report on the outstanding case jackets, how many had been found and correctly stored and the action would be taken with regard to the remaining.

- 4.6.5 The Committee recommended that the Accounting Officer explore electronic storage for the concluded cases, as well as, those still in the system. To which the Accounting Officer agreed.
- 4.6 Paragraph 464 was considered.
- 4.7 Paragraph 465- Non-compliance with the Store Regulations**
- 4.7.1 The Accounting Officer was reminded of the Committee's recommendation with regard to closing of all logbooks on December 31st. The Accounting Officer conceded that the Agency did not take this recommendation on board.
- 4.7.2 The Committee noted with grave concern the manner in which the recommendations of the Committee were flaunted by the Agency and found it troubling that the Agency had attained financial autonomy.
- 4.8 Paragraph 468- Overpayment to contractor totalling \$2.161M**
- 4.8.1 The Accounting Officer informed the Committee that in an effort to recoup the money, a letter was sent to the contractor informing him of the overpayment. However, no response was forthcoming. He also explained that the Insurance Company was written to with an aim of claims on. The Performance Bond however no response was received from making the Insurance Company.
- 4.9 Paragraph 469 to 479 were considered
- 4.10 Paragraph 480- Non approval from Departmental Tender Board and NPTAB.**
- 4.10.1 The Committee noted with grave concern the response issued with regard to the breach of the Procurement Act highlighted in the Auditor General's Report, that the requirement of the Act was not applicable to the Agency.
- 4.10.2 The Committee ventilated extensively on the legal implications of the statement and also enquired on the composition and selection process of the Department's Tender Board. The Accounting Officer informed the Committee that the Board constituted five (5) members for whom there was no public advertisement.

- 4.10.3 Additionally, the Accounting Officer informed the Committee that the Minister of Finance and the Chancellor of the Judicature were in discussion with regard to this matter and the award of contracts was on hold pending the outcome of the discussion.
- 4.10.4 A discussion ensued, following which the Committee agreed to respect the channel of communication between the Minister of Finance and the Chancellor and withhold any pronouncement on the matter until after those discussions were concluded.
- 4.10.5 Thereafter, the Chairman thanked the Accounting Office and his team for attending the meeting and expressed the Committee's grave concern in relation to the discrepancies of the Agency. The Accounting Officer was also reminded of his commitments to the Committee.

ITEM 5:

CONTINUATION OF THE CONSIDERATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON WITH RESPECT TO THE FOLLOWING:

Ministry/Department/Other	Paragraphs in the Auditor General's Report		Accounting Officer
Guyana Elections Commission	136-142(7)	193-200(8)	Mr.Keith Lowenfield

5.1 At 2.20p.m., the Committee proceeded to consider the report of the Public Accounts with respect to the Guyana Elections Commission together with the comments submitted by the Accounting Officer for years 2013 and 2014.

5.1.1 Officers present for the examination were:

- (i) Mr. Keith Lowenfield - Chief Elections officer
- (ii) Mr. Joseph Eastman - Chief Accountant

5.2 Paragraphs 193 - Failure to adhere to the Store Regulations 1993.

5.2.1 The Accounting Officer informed the Committee that a holistic rehabilitation of the stores was required and in order to move the process forward, the stores would have to be cleared of its present stock of obsolete and unserviceable items. In this regard, a request was made to the former Finance Secretary seeking to have the unserviceable and obsolete items written off and removed. However, no response was received.

5.2.2 He explained that work was previously done and is currently ongoing with regard to the identifying and label of the unserviceable items, in anticipation of approval from the Finance Secretary. He stated that new stocks are stored separately in containers with proper ventilation and adequate security.

5.2.3 A discussion ensued on the consequences of improper storage and the quality of the items to be used at the upcoming Local Government Elections. The Finance Secretary advised that the application for the write-off should be resubmitted as soon as possible.

5.3 Paragraph 194 was considered.

5.4 Paragraph 195- Three (3) outstanding advances totaling \$520,000.

5.4.1 The Accounting Officer informed the Committee that of the three (3) Officers involved, one was deceased and no monies were recovered from the Estate, hence a write-off was being sought for that amount.

5.4.2 After much discussion on the matter, the Accounting Officer informed the Committee that based on the tasks that were carried out by the Officers, only a certain amount of the money was expended and the issue premised more on a refund of the balance rather than the voucher. However, steps would be taken to have the other two officers repay the balance of the advances that stood in their names.

5.4 Paragraph 196 was considered.

5.5 Paragraph 197- Sixteen (16) stolen water tanks valued \$424,000.

5.5.1 Based on the Accounting Officer's response that the police report had found no one culpable in the case of that missing sixteen (16) water tanks, a Member posited that the Agency should not be made to suffer this loss.

5.5.2 He stated that the private security firm employed at that time to guard the premises should reimburse the cost of the stolen tanks.

5.5.3 The Accounting Officer agreed with the recommendation. The Committee requested a status update on the reimbursement by the security firm.

- 5.5.4 Thereafter, the Chairman thanked the Accounting Officer and staff for their presence. The Chairman reminded the Accounting Officer that while the Agency was now a Constitutional agency and would not be appearing before the Committee, its Audit Reports would be seen by the Committee and it is hoped that the lessons learnt would be used to improve transparency and accountability.

ITEM 6: ANY OTHER BUSINESS

6.1 Training by the Caribbean Organisation of Supreme Audit institutions (CAROSAI) project entitled "Strengthening Country Systems for Better Investment Results"

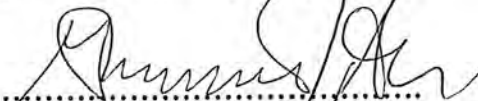
6.1.1 The Chairman informed Members of the training for PAC Member's by the Caribbean Organisation of Supreme Audit Institutions (CAROSAI). He stated that the training would be funded by the World Bank and would be conducted during the period 8th to 10th December, 2015.

6.1.2 The Auditor General informed the Committee that the time and venue would be communicated to the Committees Secretariat. Additionally, the training was open to technical advisors and the staff of the Committees Secretariat.

Adjournment

At 6.06 p.m. the meeting was adjourned *sine die*.

Confirmed this...18...day of April, 2016



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Mr. Mohamed Irfaan Ali, M.P.
Chairman

THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF THE ELEVENTH
PARLIAMENT OF GUYANA (2015-2016)

MINUTES OF THE
6TH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 2:00 P.M
ON MONDAY, 18TH JANUARY, 2016
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON(1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P.,
Minister of Social Protection

Ms. Valarie Patterson, M.P.,
Minister within the Ministry of Communities - Excused

Mr. Jermaine Figuera, M.P.

Mr. Charrandas Persaud, M.P.

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P.

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P.

Advisors

The Auditor General - (Mr. Deodat Sharma)

The Finance Secretary - (Dr. Hector C. Butts)

The Accountant General (Ag) - (Col. Jawahar Persaud)

Officers

Mr. Nickalai Pryce - Clerk of Committees
Ms. Tracy Armstrong - Assistant Clerk of Committees
Ms. Dellon Adams - Assistant Clerk of Committees

In attendance

Ms. Abiola Bazil - Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 2.10 pm.

ITEM 2: ANNOUNCEMENTS

2.1 **Welcome:**

2.1.1 The Chairman welcomed Members to the first meeting of the year and expressed sentiments of success for the year 2016.

ITEM 3: CIRCULATION OF DOCUMENTS

3.1 The following documents had been circulated prior to today's meeting:

- (i) Notice of the 6th Meeting dated 14th January, 2016;
- (ii) Minutes of the 3rd Meeting held on 23rd November, 2015;
- (iii) The Audit Office of Guyana Briefing Notes and responses received from the following Agencies to the Public Accounts Committee on the Reports of the Auditor General for the years 2013 and 2014 with respect to the following agencies:
 - Ministry of Legal Affairs;
 - Ministry of Labour, Human Services and Social Security;
 - Ministry of Home Affairs, and

- Guyana Police Force
- (iv) Responses to the Public Advertisement for the proposed nominee/s to be recommended for appointment to the Public Procurement Commission;
 - (v) Record of the Proceedings of the 3rd Meeting of the Public Accounts Committee held on 23rd November, 2015;
 - (vi) Record of the Proceedings of the 4th Meeting of the Public Accounts Committee held on 24th November, 2015, and
 - (vii) Record of the Proceeding of the 5th Meeting of the Public Account Committee held on 25th November, 2015.

3.2

CORRESPONDENCE

Incoming:

- Letter d/d 28th December, 2016 from Mr. Rashid Mohamed, Registrar (ag), Supreme Court f Judicature

Outgoing:

- Letter d/d 15th January, 2016, to Ministry of Legal Affairs re: 2013 and 2014 Public Accounts - Notice of and Invitation to attend PAC Meeting on Monday, 18th January, 2016;
- Letter d/d 15th January, 2016, to Ministry of Labour, Human Services and Social Security re: 2013 and 2014 Public Accounts - Notice of and Invitation to attend PAC Meeting on Monday, 18th January, 2016;
- Letter d/d 15th January, 2016, to Ministry of Home Affairs re: 2013 and 2014 Public Accounts - Notice of and Invitation to attend PAC Meeting on Monday, 18th January, 2016, and
- Letter d/d 15th January, 2016, to Guyana Police Force re: 2013 and 2014 Public Accounts - Notice of and Invitation to attend PAC Meeting on Monday, 18th January, 2016.

ITEM 4: CORRECTION AND CONFIRMATION OF THE 3RD, 4TH AND 5TH MINUTES HELD ON THE 23RD NOVEMBER, 2015

4.1 This item was deferred to the next meeting of the Committee.

ITEM 5: TO CONSIDER THE PROPOSED NOMINEE/S TO BE RECOMMENDED FOR APPOINTMENT TO THE PUBLIC PROCUREMENT COMMISSION.

5.1 The Chairman informed Members that only six responses were received for the proposed nomination to the Public Procurement Commission and suggested that the Committee re-advertise for another month since the last advertisement did not yield the results anticipated.

5.1.1 Thereafter, Members agreed that the advertisement should be re-advertised for another month with effect from 19th January, 2016 to 19th February, 2016.

ITEM 6: FORENSIC AUDITS OF AGENCIES

6.1 The Chairman drew Members attention to the recent comment from the Minister of Finance that related to the Forensic Audits of various agencies being conducted as internal audits. The Chairman reminded the Committee that internal audits are paid by the public funds and as such the Public Accounts Committee would examine those Reports. He further suggested two proposals that the Committee examine these separated or that the report be examined in conjunction with the Auditor General Report.

6.1.2 A lengthy discussion ensued, as it related to rules governing the reports being examined by the Committee. Thereafter, the Committee agreed to seek guidance from the Clerk of the National Assembly as it relates to the process of having the Forensic audits reports laid before the Committee.

ITEM 7: CONTINUATION OF THE EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/Other	Paragraphs in the	Accounting
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	Auditor Report	General	Officer
Ministry of Legal Affairs	319-322 (4)	439- 444 (6)	Ms. Melissa Tucker

7.1 At 2.35 p.m., the Committee proceeded to consider the Report of the Public Accounts with respect to the Ministry of Legal Affairs together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

7.1.1 Officers present for the examination were:

- (1) Ms. Melissa Tucker - Permanent Secretary
- (2) Ms. Lisette Wills - Senior Personnel Officer
- (3) Ms. Simone Allen - Assistant Secretary Finance
- (4) Ms. Nicole Prince - Registrar of Commerce (Ag)

7.2 Paragraph 319 (2013) and Paragraphs 439 to 441 (2014)-Application for Trademarks

7.2.1 In response to a query, as it related to the backlog the Accounting Officer informed Members that the Deeds Registry no longer fall under the Ministry of Legal Affairs with effect from May, 2014.

7.2.2 Ms. Nicole Prince, Registrar of Commerce (Ag) stated that the Ministry has established a new Commercial Registry Department that would deal specifically with Trademark applications and the current backlog. She also stated that one of the reasons that contributed to the backlog was the untimely response to queries from lawyers.

7.3 Paragraphs 320 and 321 (2013) and 442 (2014) – Rental of the First Federation Building totalling \$3.445M

7.3.1 The Accounting Officer, in response to a query informed Members that the Ministry was in receipt of the list of occupants of the First Federation Building and the amounts owing. However, the matter was still before the court, therefore, she was unable to provide the Committee with an update on

the issue. Thereafter, the Chairman requested that a copy of the list be submitted to the Committee.

7.4 Paragraphs 322 (2013) and 443 (2014) – Overpayment of salaries and deductions totalling \$276,000 and \$42,000 respectively

7.4.1 The Accounting Officer informed Members that letters were sent to the individuals. However, it has proved futile.

7.4.2 A Member stated that the issue had been brought to the PAC before and recommended that the issue be brought to the attention of the Losses Board with a view to have the issue resolved. Consequently, this was not done since it reappeared in the Auditor General's Report.

7.4.3 The Chairman enquired whether there was handing over statements between the Accounting Officer and her predecessor since this would have equipped her with the necessary information to have the issue resolved at its earliest. To which the Accounting Officer answered in the affirmative.

7.5 Paragraph 444 (2014) – Adherence to Stores Regulation

7.5.1 In answer to a query, the Accounting Officer informed Members that steps had been taken to update the Stock Ledgers and attached the vouchers to the Goods Received Notes. She further stated the Ministry has reassigned staff to oversee the Stores to prevent recurrence of the issue.

7.5.2 The Finance Secretary informed Members that the Ministry of Finance has embarked on a process of re-designating Head of Budget Agencies. This was done with a view to examine the way in which the management of the various agencies was treated.

7.5.3 At 2.50 p.m., the Committee concluded the examination of the above Accounts. The Chairman congratulated the Accounting Officer with regard to the corrective actions taken to resolve some of the issues. He also stated that, as she embarked on her journey as Accounting Officer, she should strive for the best standards in accountability and transparency of public funds.

ITEM 8: CONTINUATION OF THE EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraph in Auditor General's Report		Accounting Officer
Ministry of Labour, Human Services and Social Security	294-299 (6)	412-419 (8)	Ms. Lorene Baird

8.1 At 3.05 p.m., the Committee proceeded to consider the report of the public accounts with respect to the Ministry Labour, Human Services and Social Security together with the comments submitted by the Accounting Officer for the year 2013 and 2014.

8.1.1 Officers present for the examination were:

- (i) Ms. Lorene Baird - Permanent Secretary
- (ii) Mr. Mohan Ramrattan - Deputy Permanent Secretary (Finance)
- (iii) Mr. Iola Isaacs - Principle Assistant Secretary (Finance)
- (iv) Mr. Ricardo Banwarie - Assistant Chief and Probation and Social Services Officer (ACP&SSO)
- (v) Mr. Forbes Monroe - Chief Probation Officer
- (vi) Mr. Wentworth Tanner - Director of Social Services
- (vii) Mr. Shelton Daniels - Principle Personnel Officer
- (viii) Mr. Shaun Nabiyah - System Analyst

8.1.2 At this point, the Hon. Volda Lawrence, M.P., recused herself from the meeting.

8.3 Paragraph 412 (2013)- Old Age Pension Programme

8.3.1 The Accounting Officer informed the Committee that in order to update the system, the Ministry was dependent on the General Registrar's Office for information which was submitted every four months. However, there has been significant improvement, since; the Ministry now receives updates on a monthly basis.

- 8.3.2 A Member enquired whether the Ministry was seeking to move from the Paper Card system to a Smart Card system and whether there systems in place update the Old Age Pension system in a timely manner?
- 8.3.3 Mr. Tanner, Director of Social Services reiterated that the Ministry was in a better position to update the system since the information from the GRO was submitted in a timely manner. Furthermore, the Ministry was exploring the idea of moving to the smart system by 2017.
- 8.3.4 Questioned whether the implementation of a smart system would reduce the number of staff. He postulated that there would not be a reduction of staff since the current staffing was also responsible for issuance of Public Assistance and court related issues.
- 8.3.5 A Member enquired about the number of pensioners currently on the database. In response, Mr. Tanner, informed Members that there were approximately forty-five thousand pensioners currently on the database. He also stated that those numbers fluctuated with regard to the number of deaths taken off the system or new pensioners added.
- 8.4 Paragraph 299 (2013) and 413 (2014) – Overpayment on contract totalling \$126,000 for the extension of the western section of building and internal remodeling of enclosed offices to cubicle desk**
- 8.4.1 The Accounting Officer, in answer to a query, informed Members that the Auditor General recommended that the Ministry seek advice from the Solicitor General with a view to have the matter resolved. However, the Solicitor General advice that nothing could be done since the statute of limitation has elapsed.
- 8.4.2 Noting the response by the Accounting Officer, the Auditor General stated that since the Solicitor General has issued the recommendation, the Accounting Officer should write the Finance Secretary to have the amount written off.
- 8.5 Paragraphs 297 and 298 were considered.

8.6 Paragraph 414 and 415 (2014) – Number of pensioners and Pension Books

8.6.1 The Accounting Officer indicated that the Old Age Pension Books were stored in the Ministry's stores and were disbursed as requested by the Social Security Department. She stated that with regard to the reconciliation of the books, the registers were used. In addition, a specific officer (retired Deputy Accountant General) was responsible for the reconciliation Of the Old Age Pension Books and Post Office payments vis-à-vis.

8.7 Paragraph 416 (2014) – Control Forms Register for Old Age Pension and Public Assistance

8.7.1 In response to a query, the Accounting Officer indicated that there was not adequate staff to deal with the issue of the Old Age Pension Books since there were instances of resignations. However, the Ministry endeavour's to have vacant positions filled. Furthermore, in the absence of the full complement, the current staffing were adequately qualified and trained.

8.7.2 The Committee raised queries as it related to the systems in place to distribute Public Assistance to persons in the hinterland. Mr. Tanner, noting that it was an issue of concern informed Members that the Ministry works primarily with the Touthao's or Members of the village Council to identify persons who satisfy the criteria and were eligible for Public Assistance.

8.7.3 He also informed Members that Public Assistance was not determine by the Ministry ratherthe Public Assistance application is filled out by the applicant and a social investigation was carried out. Thereafter, the Board of Guardians determines whether the applicant satisfies the requirements.

8.8 Paragraph 417 and 418 (2014) were considered.

8.9 Paragraphs 419(2014) – Un-reconciled Cash Book Summary totalling \$990,000 reflected as fraudulent coupons

8.9.1 The Accounting Officer, responding to a query, indicated that the Auditor General had indicated to the PAC that a report was not issued from the police. However she was advised to acquire a copy of the report with a view to have the matter brought to a close.

- 8.9.2 The Chairman enquired what constitutes fraudulent coupons with respect to the above paragraph. Mr. Tanner informed Members that there were duplication and the encashment of coupons by a Postal Clerk. Subsequently, charges were instituted by the police. However, he was unable to give further details on the issue.
- 8.9.3 The Auditor General indicated that the discrepancies were uncovered at the Post Office. As a result, the Post Office has to reimburse the sum of money to the Ministry. Moreover, the Ministry was solely responsible to follow up with the Post Office to have the issue brought to a close.
- 8.9.4 The Chairman, thereafter, suggested that the Auditor General submit to the Committee a report on the status of the issue.
- 8.9.5 At the conclusion of the discussion, the Accounting Officer informed the Committee that the Ministry was cognizant of the issues. However, she reiterated that the Ministry was in discussions with a consultant with a view to ultimately deviate from the current system.
- 8.10 Paragraph 420 (2014) was considered.
- 8.10.1 At 3.50 p.m., the Committee concluded the examination of the above Accounts. The Chairman then thanked the Accounting Officer and her team for attending the meeting and reminded her of her commitment to provide the Committee with the additional information as was requested with one week.

ITEM 9: CONTINUATION OF THE EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraph in Auditor General's Report		Accounting Officer
Ministry of Home Affairs	300 -309 (10)	421- 430 (10)	Ms. Daneilla McCalmon

- 9.1 At 3.53 p.m., the Committee proceeded to consider the Report of the Public Accounts with respect to the Ministry Home Affairs together with the comments submitted by the Accounting Officer for the year 2013 and 2014.
- 9.1.1 Officers present for the examination were:
- (1) Ms. DaneillaMcCalmon - Permanent Secretary (Ag)
 - (2) Ms. ShondelMayers - Principle Assistant Secretary (Finance)
 - (3) Ms. Simone Simon - Expenditure Planning and Management Analyst
- 9.1.2 A Members congratulated the Accounting Officer on her appointment and encouraged her to set the pace and tone for other women in the country, that they could achieved that whatever they set out to do.
- 9.1.3 She also enquired whether the Accounting Officer was apprised of the issues that were highlighted in the Auditor General's report and whether discussions were held with staff of the Ministry and the Auditor General's Office. To which, The Accounting Officer, answered in the affirmative.
- 9.2 Paragraphs 300 (2013) – Overpayments of salaries totalling \$347,833**
- 9.2.1 The Finance Secretary informed Members that he was in receipt of a letter of request for the amounts to be written off, However, he advised that the issue would have to be presented to Cabinet, since, there was at limit on the amounts to which the Ministry could write off. He also stated that recommendations would be made to the Cabinet with regard to the steps that could be taken by the Minister, the Finance Secretary and the Accountant General before issues such as this reaches the level of Cabinet.
- 9.4 Paragraph 301 (2013) and 422 (2014) – 50 MTSL shells and two stallions totalling \$971,800**
- 9.4.1 The Accounting Officer indicated that a letter was sent to the Ministry of Finance with a view to have the issue written off.
- 9.3.2 A discussion ensued following which the Committee requested that the Finance Secretary follow up on the issue. However, he indicated that the Minister with responsibility for the Ministry present the issue to the Cabinet for approval or write off.

- 9.4 **Paragraphs 302 (2013) and 423 (2014) –Overpayment to contractor for the construction of the new capitol Dormitory at the Georgetown Prisons totalling \$3.402M**
- 9.4.1 A Members queried whether any legal actions were taken with a view to have the monies recovered. The Accounting Officer indicated that legal actions had been instituted however; the Ministry was still awaiting advice from the Ministry of Legal Affairs.
- 9.4.2 Noting the response given by the Accounting Officer, the Chairman requested that the Finance Secretary submit to the Attorney General's office and the Committee list of agencies that legal advice was being sought. Also a matrix showing all outstanding police reports should be send to the Commissioner of Police.
- 9.5 **Paragraph 303 and 304 (2013) and 424 and 425(2014) – Overpayments totalling \$ 3.454M made on redial works to the floor, walls roof, windows and door at the Albion Police Station**
- 9.5.1 The Accountant General in proffered an explanation on the issue indicated there were two distinct issues. He indicated that the Guyana Defence Force should seek approval from the Ministry of Finance to pay since the monies owing was deemed unpaid accounts (prior year).
- 9.5.2 A discussion ensued following which the Chairman suggested that the Accounting Officer follow up with the GDF on the issue to have it resolved at its earliest.
- 9.6 **Paragraph 305 (2013) –Breach of the Fiscal Management and Accountability Act 2003 as it relates to paying over of unspent balance totalling \$4.321M**
- 9.6.1 The Chairman indicated that he was in discussions with the Finance Secretary and the Accountant General in relation to the closing of book at the end of the year- 31st December. He caution the Accounting Officer that any officer who were still in possession of cheques after the 31st December were in breach of the Fiscal Management and Accountability Act. As such, the Finance Secretary has advised that stringent actions be taken against such officers

- 9.6.2 The Accounting Officer noting the comments made by the Chairman indicted that all books were closed at the end of the year- 31st December. She stated that corrective actions were taken to resolve the issue.
- 9.7 **Paragraph 306 (2013) and 427 (2014) – Procurement of vehicles and outboard engines totalling \$38.889M**
- 9.7.1 In light of the comment by the Accounting officer that that a letter was sent to the National Procurement and Tender Administration requesting that the contractor be blacklisted. The Chairman requested that a copy of the letter be submitted to the PAC within a week. He also requested that a letter should be sent to the contractor instituting liquated damages. In addition, discussions should be held with the Finance Secretary to have the issued resolved.
- 9.9 **Paragraph 307-309 (2013) and 426-430 (2014) were considered.**
- 9.10 **Paragraph 430 (2014) – Adherence to the Stores Regulations 1993**
- 9.10.1 In response to a Members' query, the Accounting informed the Committee that the following corrective actions were taken:
- Implementation of bin cards;
 - Updating of inventories, and
 - Opening of a gift register
- 9.10.2 The Chairman, thereafter advised the Accounting Officer to seek further guidance from the Accountant General on the matter. In addition the Auditor General was requested to verify in the 2015 report whether the corrective measures were in instituted.
- 9.10.3 At 4.45 p.m., the Committee concluded the examination of the above Accounts. The Chairman then thanked the Accounting Officer and her team for attending the meeting.

ITEM 10: CONTINUATION OF THE EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraph in Auditor General's Report		Accounting Officer
	Guyana Police Force	310-318 (9)	

10.1 At 4.45 p.m., the Committee proceeded to consider the report of the public accounts with respect to the Ministry Home Affairs together with the comments submitted by the Accounting Officer for the year 2013 and 2014.

10.1.1 Officers present for the examination were:

- (1) Mr. Balram Persaud - Assistant Commissioner
- (2) Mr. Nigel Hoppie - Finance Officer
- (3) Mr. Michael Sutton - Deputy Finance Officer

10.2 Paragraph 310 (2013) and 431 (2014) – Overpayments of salaries totalling \$2.307M

10.2.1 The Accounting Officer informed Members that letters were sent the individuals in an effort to recover the amounts. He also stated some of the persons contacted have indicated a willingness to work out terms of repayment.

10.2.3 An extensive discussion ensued; thereafter the Accountant General informed the Committee that Police Officers go through a system of clearance for the purpose retirement. As a result, when monies were owed to credit Union, those liabilities are stated and the Ministry would offset those balances. However, the clearances are not submitted in a timely manner.

10.3 Paragraphs 311 and 312 (2013) were considered.

- 10.4 Paragraphs 313 (2013) and 432, 433 and 434 (2014) – Log books and historical records**
- 10.4.1 In response to an enquiry regarding the steps taken to reconcile the fuel. The Accounting Officer stated that the driver takes the log book to the Guyana Oil Company (GUYOIL) and upon the issuance of the fuel; the book is signed off by the subordinate officer at GUYOIL. Thereafter, the Chairman congratulated the Accounting Officer on the measures that were put in place to prevent recurrence of the issue.
- 10.5 Paragraph 314 and 315 (2013) and 435 and 436 (2014) – Un-reconciled Bank Account No 01620004110 - Bail, Exhibits and extra duty fees**
- 10.5.1 The Committee was informed that the GPF currently has a team working on the reconciliation in an effort to bring it up-to-date. The reconciliation would be done from the current years. As a result, this was expected to be done in three months' time.
- 10.5.2 Noting the Accounting Officers response, the Chairman requested that he submit the information to the PAC within one week.
- 10.6 Paragraph 437 (2014) – Quartermaster Stores of the Guyana Police Force**
- 10.6.1 The Accounting Officer informed Members that the Police Force has since put systems with regard to the Internal Stores Regulation (ISR). In addition, approval was given for the disposal of deteriorated items, thereby making space for other items to be packed and labeled appropriately. In addition, the Finance and Stores Departments have ongoing seminars/training courses where one of the ranks has graduated as the top student.
- 10.6.2 The Committee questioned the process used to dispose of the deteriorated uniforms. Mr. Balram informed Members that the uniforms were taken to a secured location and burnt.
- 10.6.3 A Member stated that the uniforms are considered state assets; and recommended that in future, the Auditor General or a representative of the Audit Office should be present to verify that the assets were destroyed.
- 10.6.4 The Auditor General concurred with the recommendation made by the Member.

10.7 Paragraphs 316, 317 and 318 (2013) and Paragraph 438 (2014) was considered.

10.7.1 At 5.15 p.m., the Committee concluded the examination of the above Accounts. The Chairman then thanked the Accounting Officer and team for attending the meeting. He advised him to implement measures that were recommended by the PAC and ensure improvements where necessary and to submit information that was requested by the PAC within one week. Thereafter, congratulated him on the areas where there were improvements.

ITEM 11: ANY OTHER BUSINESS

11.1 Regional Workshop for PAC Members and SAI staff

11.1.1 The Chairman informed Members the Auditor General's Office was tasked with the host with funding from the World Bank the SAI workshop from the 15th to 16th June, 2016 under the theme "*Strengthening country system for better investment results*". He explained that approximately sixty participants inclusive of PAC and SAI staff from Guyana, Grenada and St. Lucia would in Guyana.

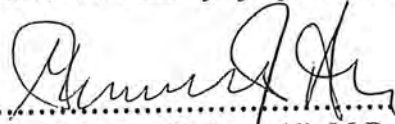
11.1.2 The Chairman recommended that the Committee endorsed and commit to fully support the Auditor General in ensuring a successful workshop.

11.1.3 The Auditor General stated that the reason for the workshop being held in Guyana was the system being used and the level at which it was being operated, also it was used as a best practice.

Adjournment

At 5:15 p.m. the meeting was adjourned to 2.00 p.m., on Monday 25th January, 2016.

Confirmed this...day of April, 2016


.....
Mr. Mohamed Irfaan Ali, M.P.
Chairman

**THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF THE ELEVENTH
PARLIAMENT OF GUYANA (2015-2016)**

**MINUTES OF THE
7th MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 2:06 P.M
ON MONDAY, 25th JANUARY, 2016
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.**

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON (1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P.,
Minister of Social Protection - Excused

Ms. Valarie Patterson, M.P.,
Minister within the Ministry of Communities

Mr. Jermaine Figuera, M.P.

Mr. Charrandas Persaud, M.P.

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P. - Excused

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P.

Advisors

The Auditor General - (Mr. Deodat Sharma)
The Finance Secretary - (Dr. Hector C. Butts)
The Accountant General (Ag) - (Col. Jawahar Persaud)

Officers

Mr. Nickalai Pryce - Clerk of Committees
Ms. Tracy Armstrong - Assistant Clerk of Committees
Ms. Dellon Adams - Assistant Clerk of Committees

In attendance

Ms. Abiola Bazil - Research and Analytical Assistant
Ms. Michelle Chung - Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 2.16pm.

ITEM 2: ANNOUNCEMENTS

2.1 Welcome:

2.1.1 The Chairman welcomed Members and staff to the second meeting for the year.

2.1.2 The Chairman informed the Committee that a letter was received from the Ministry of Foreign Affairs indicating the inability of the Director General to appear before the Committee due to travel duties.

2.2 Excuses:

2.2.1 The following Members had asked to be excused from the meeting:

- Hon. Volda A. Lawrence, M.P., and
- Ms. Pauline Campbell-Sukhai, M.P.

ITEM 3: CIRCULATION OF DOCUMENTS

3.1 The following documents had been circulated prior to the meeting:

- (i) Notice of the 7th Meeting dated 20th January, 2016;
- (ii) The Audit Office of Guyana Briefing Notes and responses received from the following Agencies to the Public Accounts Committee on the Reports of the Auditor General for the years 2013 and 2014 with respect to the following agencies:
 - Ministry of Foreign Affairs;
 - Georgetown Public Hospital Corporation; and
 - Ministry of Health.

3.2 CORRESPONDENCE

Incoming:

- Letter dated 22nd January, 2016, from Ministry of Foreign Affairs re: 2013/2014 Public Accounts – Attendance at Public Accounts Committee Meeting.

Outgoing:

- Letter dated 19th January, 2016, to Ministry of Foreign Affairs re: 2013 and 2014 Public Accounts - Notice of and Invitation to attend PAC Meeting on Monday, 25th January, 2016;
- Letter dated 19th January, 2016, to Georgetown Public Hospital re: 2013 and 2014 Public Accounts - Notice of and Invitation to attend PAC Meeting on Monday, 25th January, 2016; and
- Letter dated 19th January, 2016, to Ministry of Health re: 2013 and 2014 Public Accounts - Notice of and Invitation to attend PAC Meeting on Monday, 25th January, 2016.

ITEM 4: CORRECTION AND CONFIRMATION OF THE 3RD, 4TH, 5TH AND 6TH MINUTES HELD ON THE 23RD, 24TH, 25TH NOVEMBER, 2015 AND 18TH JANUARY, 2016 RESPECTIVELY

4.1 This item was deferred to the next meeting of the Committee.

ITEM 5: CONTINUATION OF THE EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/Other	Paragraphs in the Auditor General Report		Accounting Officer
Georgetown Public Hospital Corporation	257-272 (16)	364- 380 (17)	Mr. Allan Johnson.

5.1 At 2.20 p.m., the Committee proceeded to consider the Report of the Public Accounts with respect to the Georgetown Public Hospital Corporation (GPHC) together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

5.1.1 Officers present for the examination were:

- (1) Mr. Allan Johnson - Chief Executive Officer
- (2) Ms. Vijay Balgobin - Finance Director (Ag.)
- (3) Ms. Rohmena Chung - Human Resources Director
- (4) Ms. Yvonne Bullen - Admin Manager (Pharmacy)
- (5) Ms. Anisah Khan - Pharmaceutical Coordinator

5.2 Paragraph 364 - Breach of the Fiscal Management and Accountability Act Part XII Section 79 and 80

5.2.1 The Committee noted that the Georgetown Public Hospital Corporation continues to receive appropriations rather than subvention from the Government. The Chairman enquired whether the Agency had opened the bank account as was recommended by the FMA Act.

- 5.2.2 The Accounting Officer informed the Committee that the former Finance Secretary had been written to seeking permission to open the bank account; however, that request was denied. The Accounting Officer informed the Committee that former Finance Secretary had recommended that the GPHC operate as a subvention agency under the Ministry of Health.
- 5.2.3 In answer to a query on the status on the financial statements for the Agency for the year ending December 2015, the Committee was informed that the statement was in the preparatory stage since the inventory and fixed asset registers were non-existent and a physical verification of the fixed assets was ongoing.
- 5.2.4 The Accountant General advised that the Agency compile a Asset Register and have the assets cateogised as the first step towards having financial statements prepared for the period 1st September 2015 to 31st December, 2015. The Accounting Officer concurred.
- 5.3 Paragraphs 365 (2014) and 258 (2013) —Overpayment of net salaries totalling \$519,839 and \$574,210 respectively and deductions totalling \$42,001**
- 5.3.1 The Accounting Officer informed Members that the Agency was pursuing legal action against the employees in the form of “demand letters”, and was at the stage of determining the legal cost of such action.
- 5.3.2 The Committee recommended that the Finance Secretary be written requesting the amounts be written off since pursuing legal action would not be cost effective.
- 5.4 **Paragraph 366 was considered.**
- 5.5 Paragraph 367- Expired drugs totalling \$19.145M**
- 5.5.1 The Accountant General noted the frequency with which the issue of expired drugs was highlighted in the Auditor General’s Report.He advised that the agency develop a system which reflects the shelf life of all drugs in stock so that the disposal of expired drugs could be done in a timely manner.
- 5.6 Paragraphs 368 and 369 were considered.

- 5.7 **Paragraph 370- X-ray cassettes valued at \$1.883M not received by the Corporation**
- 5.7.1 The Accounting Officer informed the Committee that a letter was sent to the Finance Secretary requesting a write-off of the amount.
- 5.7.2 The Finance Secretary acknowledged that the letter was received, and explained that it did not adequately address the matter neither was sufficient evidence given to warrant the write-off. The Accounting Officer was advised to resubmit the letter with the pertinent information.
- 5.8 **Paragraph 371- Drugs and Medical supplies totalling \$1.867B**
- 5.8.1 The Committee was informed that the Agency was still indebted to suppliers in the sum of \$500M as at 31st December, 2015. The New GPC was owed the largest part of that amount.
- 5.8.2 In light of the response given, the Chairman enquired on the effect the matter was having on operations of the Agency with regard to the availability and supply of drugs and the delivery of service to the public. The Committee was dismayed, when informed, that the Agency was in critical need of drugs as basic as aspirins.
- 5.8.3 The Chairman with the support of the Finance Secretary reminded the Accounting Officer that the Agency had access to one twelfth of its provision before the National Budget was passed to purchase the much needed drugs. The Finance Secretary stated that the effectiveness of this provision was dependent on how it was managed.
- 5.8.4 The Finance Director informed the Committee that the only release from the provision by the Agency was for employment cost. In light of the response, the Chairman advised that the Officers meet with the Finance Secretary urgently to address and the issue of payment to suppliers owed and the cash flowsituation at the Agency.
- 5.8.5 With regard to the large quantities of expired drugs at the bond, the Committee was informed that upon inspection, the staff was unaware of drugs being held in the bond. Further, there were large quantities of drugs that were never used or had a very short shelf life. The Chairman advised that to alleviate this problem drugs should be accepted and paid for according to contract stipulation.

- 5.8.6 A discussion ensued on the systems in place at the Agency with regard to the procurement and storage of drugs, the availability of funds for purchasing drugs and the policies in relation to expired drugs. The Chairman, thereafter, recommended that an urgent meeting between the Finance Secretary and the Management of the GPHC be convened, to address Tender Board matters, procurement issues, cabinet requests for resources and other resources issues that are hindering the operations of the Institution. The Finance Secretary agreed to meet with the Officials on 26th January, 2016 after which a report would be submitted to the Committee.
- 5.9 Paragraphs 371 to 376 were considered.
- 5.10 Paragraph 377 - Missing payment vouchers totalling \$60.886M for 2013 and 2014, respectively**
- 5.10.1 The Auditor General informed the Committee that the missing vouchers were not a result of a defective filing system, but, rather the problem was across various departments within the Agency.
- 5.10.2 In light of the Auditor General's comments the Accounting Officer informed the Committee that a system was now in place, effective September, 2015, which would require that all payment vouchers be booked in the filing room and monthly reports prepared to track the movements of payment vouchers.
- 5.10.3 He further explained that some of the missing payment vouchers had been found and verified. The Accountant General reminded the Accounting Officer that he was the custodian of the vouchers and advised him that the vouchers must be kept safely for the external auditors.
- 5.11 At 3.53 p.m., the Committee concluded its examination of the Agency. The Chairman noted with concern that the Accounting Officer seemed disconnected with the matters affecting the Agency and was not properly prepared to address those matters, hence the Accounting Officer was reminded of the importance of appearing before the Committee.

ITEM 6: CONTINUATION OF THE EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEAR ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/Other	Paragraphs in the Auditor General Report		Accounting Officer
Ministry of Health	273-293(21)	381-411(31)	Mr. Trevor Thomas

6.1 At 4.00 p.m., the Committee proceeded to consider the Report of the Public Accounts with respect to the Ministry of Health together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

6.1.1 Officers present for the examination were:

- (1) Mr. Trevor Thomas - Permanent Secretary
- (2) Ms. Colette Adams - Deputy Permanent Secretary
- (3) Ms. Sandra Singh - Finance Manager
- (4) Mr. Bruce Wills - Engineer
- (5) Ms. Vanessa Mohabir - Audit Supervisor

6.2 Opening Remarks

6.2.1 The Chairman informed the Accounting Officer that there were complaints by Regional Health Centers of acute shortage of drugs and monies being returned to the Ministry despite this state of affairs.

6.2.2 The Accounting Officer informed the Committee that provision was made in the 2015 National Budget for the purchasing of drugs to be decentralised, that meant the Regions were now responsible for procuring their own drugs, as needed.

6.2.3 He further explained that in December, 2015, the sum of \$600M which had been budgeted for the purchasing of drugs by the Regions was returned to the Ministry with a list of the required drugs.

- 6.2.4 The Accounting Officer posited that there was no capacity within the Regions to effect the procurement of drugs and that might have been the reason for the monies being returned.
- 6.2.5 The Committee raised several concerns about the authority/instructions given to the REOs with regard to the purchasing of drugs and the subsequent return of the funds. The Finance Secretary enquired whether the Accounting Officer was instructed to receive the funds from the Regions.
- 6.2.6 The Committee, thereafter, requested that the Accounting Officer provide a written response to its concerns, which included outlining the policy with regard to the return of the sum of \$600M for drugs from the Regions.
- 6.3 Paragraphs 381 - Overpayment of Net Salaries and Deductions for period 2007-2014 totalling \$ 2,156,121M and \$1,312,617M respectively.**
- 6.3.1 The Accounting Officer informed the Committee that the Agency continues to work with the Guyana Revenue Authority and National Insurance Scheme to recover the overpayments; however, this process has been stymied by the refusal of commercial banks to refund monies without the employees' authorization.
- 6.3.2 He explained that the issue of overpayment was a result of communication challenges between the Regional Health Services and the Ministry of Health. He posited that this was due to the lack of experience by the doctors in administrative matters, and stated that 95% of the doctors would have had less than five years experience in the medical field and were being made to handle both administrative and medical matters.
- 6.3.3 In charting the way forward, he explained that the Ministry was in discussions with the Regional Health Officials of the ten (10) Administrative Regions on the employment of support staff to handle administrative matters in each Region.
- 6.4 Paragraph 382 - Outstanding supplies of drugs valued at \$114.002M**
- 6.4.1 In answer to a query, the Committee was informed that the Agency had embarked on an ongoing reconciliation process and the amount had been reduced to \$15.254 M. The Accounting Officer informed the Committee that the suppliers were not at fault rather it was the process of "staggered delivery" of the drugs being used by the Ministry
- 6.4.2 The Committee requested that a status report be provided after the completion of the reconciliation process.

- 6.5 Paragraphs 383 to 385 were considered.
- 6.6 **Paragraph 386- Cheques totalling \$31.192M not refunded the Consolidated Fund**
- 6.6.1 The Accounting Officer informed the Committee that the cheques had not refunded due to late delivery by suppliers and/or requests for an extension of the contract periods.
- 6.6.2 He explained that the Ministry would be seeking to enforce the stipulated contract deadline for delivery and return unpaid cheques to the Consolidated Fund. Debarment and blacklisting in accordance with the Procurement Act would also be used as a deterrent to late delivery by suppliers.
- 6.7 **Paragraph 387 – The master inventory not reflecting acquisitions and disposals of assets**
- 6.7.1 The Committee noted with concern the reoccurrence of this issue which is purely an administrative matter. The Accounting Officer acknowledged the concern of the Committee and made a commitment to have the matter resolved before the Agency's next appearance.
- 6.8 Paragraphs 388-391 were considered.
- 6.9 **Paragraph 392- Termination of Surendra Engineering Corporation Limited contract.**
- 6.9.1 The Accounting Officer informed the Committee that the contract was terminated with Surendra Engineering Corporation Limited. The Government had taken the company to court and had won judgment. Nevertheless, permission was granted to import materials although monies were still owed to the Government of Guyana.
- 6.9.2 Based on the comments by the Accounting Officer, the Committee enquired whether steps had been taken to enforce the judgment by the Courts. In his response, the Accounting Officer explained that the Agency was seeking advice on the way forward in recouping the monies owed to the Government.
- 6.10 At 6.55 p.m. the Committee concluded its examination of the Agency. The Chairman thanked the Accounting Officer for appearing before the Committee and reminded him that there was still more work to be done within the Agency.

ITEM 7: ANY OTHER BUSINESS

7.1 Nominees to the Public Procurement Commission

- 7.1.1 The Chairman informed Members that 19th February, 2016 would be the last extension on the deadline for the submission of nominees for the Public Procurement Commission. He suggested that the Committee set itself a deadline of March 31, 2016 to complete the examination of the nominees. Members agreed with the suggestion.

Adjournment

At 6:58 p.m. the meeting was adjourned *sine die*.

Confirmed this 1st day of April, 2016



.....
Mr. Mohamed Irfan Ali, M.P.
Chairman

THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF THE ELEVENTH
PARLIAMENT OF GUYANA (2015-2016)

MINUTES OF THE
10TH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 1:58 P.M
ON MONDAY, 9TH MAY, 2016
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON (1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P.,
Minister of Social Protection

Hon. Valarie Patterson, M.P.,
Minister within the Ministry of Communities - Excused

Mr. Jermaine Figueira, M.P.

Mr. Charrandas Persaud, M.P.

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P.

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P.

Advisors

The Auditor General - (Mr. Deodat Sharma)
The Finance Secretary - (Dr. Hector C. Butts)
The Accountant General (Ag) - (Col. Jawahar Persaud)

Officers

Mr. Nickalai Pryce	- Clerk of Committees
Ms. Tracy Armstrong	- Assistant Clerk of Committees
Ms. Candayce Girard	- Assistant Clerk of Committees
Ms. Abiola Bazil	- Research and Analytical Assistant
Ms. Michelle Chung	- Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 1.58 pm.

ITEM 2: ANNOUNCEMENT

2.1 Welcome:

2.1.1 The Chairman welcomed Members of the Committee, Advisors and Staff to the meeting.

ITEM 3: CIRCULATION OF DOCUMENTS

3.1 The following documents had been circulated prior to the meeting:-

- (i) Notice of the 10th Meeting dated 3rd May, 2016;
- (ii) Minutes of the 9th Meeting held on 25th April, 2016, and
- (iii) The Audit Office of Guyana Briefing Notes and responses received from the following Agencies to the Public Accounts Committee on the Reports of the Auditor General for the years 2013 and 2014 with respect to the following agencies:

- Public Service Ministry;

- Ministry of Agriculture, and
- Guyana Defence Force.

3.2 The following documents were circulated at the meeting:-

- (i) Letter dated 6th May, 2016, from Ministry of Education, Department of Culture, Youth & Sport re: Appearance before the Public Accounts Committee;
- (ii) Letter dated 6th May, 2016, from Mr. Trevor Thomas, Permanent Secretary, Ministry of Public Health re: Examination of the Auditor General's Report for the years 2013/2014, and
- (iii) Audit Office of Guyana Quarterly Performance Report for the first quarter January – March, 2016.

ITEM 4: CORRESPONDENCE

4.1 Incoming:

- (i) Letter dated 6th May, 2016, from Ministry of Education, Department of Culture, Youth & Sport re: Appearance before the Public Accounts Committee;
- (ii) Letter dated 6th May, 2016, from Mr. Trevor Thomas, Permanent Secretary, Ministry of Public Health re: Examination of the Auditor General's Report for the years 2013/2014, and
- (iii) Letter dated 9th May, 2016, from Audit Office of Guyana, re: Regional workshop for Public Accounts Committee Members and Staff of Supreme Audit Institution (SAI's) – July 13 to 15, 2016.

4.2 Outgoing:

- (i) Letter dated 27th April, 2016, to Ministry of the Presidency, Department of Public Service re: 2013 and 2014 Public Accounts - Notice of and Invitation to attend PAC Meeting on Monday, 9th May, 2016;

- (ii) Letter dated 27th April, 2016, to Ministry of Agriculture re: 2013 and 2014 Public Accounts - Notice of and Invitation to attend PAC Meeting on Monday, 9th May, 2016;
- (iii) Letter dated 27th April, 2016, to Guyana Defence Force re: 2013 and 2014 Public Accounts - Notice of and Invitation to attend PAC Meeting on Monday, 9th May, 2016, and
- (iv) Letter dated 3rd May, 2016, to Mr. Hydar Ally, former Accounting Officer of the Public Service Ministry- Invitation to attend PAC Meeting on Monday, May 09, 2016.

ITEM 5: CORRECTION AND CONFIRMATION OF THE MINUTES OF THE 9TH MEETING HELD ON THE 25TH APRIL, 2016

5.1 Corrections

5.1.1 Page 83, Item 4 – Correction and Confirmation of the Minutes of the 8th Meeting held on 25th April, 2016

- Substitution of the date “18th April, 2016” for the date “25th April, 2016”.

5.1.2 Page 86, paragraph 6.2.3 – Audit Operations Division

- Substitution of the word “enquired” for the word “queried” in the first line of the paragraph.

5.1.3 Page 86, paragraph 6.2.6 - Audit Operation Division

- Deletion of the word “done” in the second line of the paragraph.

5.1.4 Page 89, paragraph 7.1 – Discussion on the Audit Office of Guyana Budget preparation for 2017

- Paragraph reworded to read “*The Auditor General informed the Committee that the Audit Office had completed a Strategic Plan for the year 2016. However, the Office was currently working on the 2017-2019 Plan. He apprised Members that the Office had embarked on the use of Risk Based Auditing which was in conformity with best practices.*”

5.2 Confirmation

5.2.1 The Minutes were confirmed, as corrected on a motion moved and seconded by Mr. Dharamlall, and Mr. Figueira, respectively.

ITEM 6: MATTERS ARISING

6.1 Page 84, paragraph 5.3.1 – Discussion on the nominees to the Public Procurement Commission

6.1.1 In response to a query, the Chairman informed the Committee that the Sub-committee on the Public Procurement Commission had started the process of shortlisting nominees and would submit the decision subsequently.

ITEM 7: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEAR ENDING 31ST DECEMBER, 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/ Other	Paragraphs in the Auditor General Report		Accounting Officer
Public Service Ministry	Nil	213 – 220 (7)	Mr. Reginald Brotherson

7.1 At 2.05 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Public Service Ministry together with the comments submitted by the Accounting Officer for the year 2014.

7.1.1 Officers present for the examination were:

- (i) Mr. Reginald Brotherson - Permanent Secretary
- (ii) Mr. Hydar Ally - Permanent Secretary (Retired)
- (iii) Mr. Ryan Cumberbatch - Systems Development Coordinator
- (iv) Rev. Andrew Grant - Principal Personnel Officer
- (v) Ms. Soynika Grogan - Manager, Scholarship Administration
- (vi) Mr. Andre Daziel - Chief Accountant
- (vii) Ms. Jean Carroll - Manager, Development & Operations

- 7.2 Paragraph 213 – Training including Scholarship and a Contingency Fund Advance totalling \$671.432M and \$215.520M respectively**
- 7.2.1 In response, to an enquiry about the number of persons who were issued scholarships and their field of study, the Accounting Officer informed the Committee that the information was not readily available. However, he indicated that a register with the relevant information was presented to the Accountant General.
- 7.2.2 The Chairman requested the Accounting Officer to submit the information to the Committee by Friday, 13th May, 2016.
- 7.3 Paragraphs 214 and 215 were considered.**
- 7.3 Paragraph 216 – Expenditure Cost totalling \$234.751M**
- 7.3.1 A Member enquired about the record keeping system with regard to the monitoring of fees and whether there were correlations between the Immigration Authority and students with outstanding balances.
- 7.3.2 The Accounting Officer proffered an explanation that the Ministry had a register which contained the name and address of students and the field of study.
- 7.3.3 In addition, he stated that there were correlations with the Immigration Authority. In the event that a student was desirous of leaving the country or seeking a waiver of surety, a letter of request would be sent to the Ministry, Department of Public Service which would be reviewed. Thereafter, a clearance letter would be issued to the Chief Immigration Officer.
- 7.4 Paragraph 217 – Payments totalling \$4.920M made to Classique Salon and Spa School of Cosmetology as sponsorship for twelve students**
- 7.4.1 In answer to a query, the Accounting Officer indicated that the above-mentioned business was registered. He further stated that the Ministry had records that verified that all payments were made to the students.
- 7.5 Paragraph 218 was considered.**

7.6 Paragraph 219 – Amount totalling \$8.832M expended for the purchase of office furniture and equipment

7.6.1 A Member enquired about the measures that were in place in relation to the receipts and documentation of capital items. The Accounting Officer, in response, explained that all capital items purchased were recorded in inventory and requisition for when needed.

7.6.2 Based on further queries in relation to checks and balances of purchases, the Committee was informed that currently systems were in place to ensure that items purchased were accounted for.

7.6.3 Subsequent to the discussion which ensued with regard to the missing capital items, the Accounting Officer indicated that efforts to locate the items proved futile and based on advice received, a Lost Report had been sent to the Finance Secretary.

7.7 Paragraph 220 was considered.

7.8 At 2.20 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Accounting Officer and his team for their presence at the meeting.

ITEM 8: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEARS ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report		Accounting Officer
	<u>2013</u>	<u>2014</u>	
Ministry of Agriculture	168 – 187 (20)	262 – 268 (7)	Mr. George Jervis

8.1 At 2.30 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Ministry of Agriculture together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

8.1.1 Officers present for the examination were:

- (i) Mr. George Jervis - Permanent Secretary
- (ii) Ms. Prema Roopnarine - Deputy Permanent Secretary (Finance)
- (iii) Mr. Fredrick Flatts - CEO (ag), National Drainage & Irrigation Authority
- (iv) Mr. Wazeer Mohamed - Accountant, National Drainage & Irrigation Authority
- (v) Ms. Feonoah Durant - Procurement Officer

8.2 **Paragraph 168 was considered.**

8.3 **Paragraphs 169 (2013) and 262 (2014) – Overpayment of Salaries totalling \$458,237**

8.3.1 In response to a query, the Accounting Officer informed the Committee that the Ministry had recovered \$314,123. He also stated that the Ministry had embarked on writing various Ministries/Regions to ascertain whether the persons were gaining employed with an effort to recover the outstanding amounts. In addition, the Accounting Officer stated that mechanisms were put in place to prevent recurrences.

8.4 **Paragraph 170 was considered.**

8.5 **Paragraph 171 – Purchase of Fuel and Lubricants**

8.5.1 Members were informed that the outstanding amounts owed to Guyana Oil Company for the supply of fuel had been paid in January 2014. Subsequently, a Member pointed out that previous recommendations were made for the National Drainage and Irrigation Authority to establish an Accounting Unit and enquired whether such recommendations were implemented. The Accounting Officer affirmed that the recommendations mentioned were instituted in November 2013.

8.6 **Paragraph 172 was considered.**

8.7 **Paragraph 173 – Statutory Entities under the control of the Ministry of Agriculture**

8.7.1 Following a query, the Accounting Officer updated Members on the status of audits and financial statements for the following entities:

- (i) Guyana Livestock Development Authority
 - 2011 *Audits to be finalised*;
 - 2012 *Audits were in progress*; and
 - 2013/2014 *Financial Statements were returned to the entity for corrections*.
- (ii) Guyana Marketing Corporation
 - 2014 *Audits were in progress*.
- (iii) Guyana School of Agriculture
 - 2009 to 2014 *Financial Statements to be submitted*.
- (iv) Hope Coconut Estate
 - 2008 to 2010 *Financial Statements were returned to the entity for corrections; and*
 - 2011 to 2014 *Financial Statements to be submitted*.
- (v) Mahaica Mahaicony Abary Agricultural Development Authority
 - 2008 to 2014 *Audits to be finalised*.
- (vi) National Agricultural Research & Extension Institute
 - 2014 *Audits were in progress*.
- (vii) Pesticide & Toxic Chemicals Control Board
 - 2014 *Audits completed and awaiting Report from the Auditor General's Office*.
- (viii) Guyana Sugar Corporation
 - 2013 *Audits were in progress; and*
 - 2014 *Financial Statements to be submitted*.
- (ix) Guyana Rice Development Board
 - 2015 *Interim Audit had commenced*.

8.8 Paragraphs 174 and 175 – Overpayment totalling \$381,600 for the rehabilitation of Fisheries Department at Ministry Head Office

8.8.1 In answering a query, the Accounting Officer informed Members that efforts to recover the overpayment from the Contractor proved futile. Subsequently, the engineer who certified the works was surcharged and the amounts were recovered.

- 8.9 **Paragraphs 176 to 178 were considered.**
- 8.10 **Paragraphs 179 (2013) and 263 (2014) - Purchase of water pumps totalling \$101,000**
- 8.10.1 In light of an enquiry, the Accounting Officer informed the Committee that the Ministry was awaiting a report from the Guyana Police Force on the matter to ascertain who should be solely responsible for the replacement of the pumps that were unaccounted for.
- 8.10.2 Noting the explanation given, the Chairman requested that the Accounting Officer forward to the Finance Secretary the letter which was sent to the Police for a follow-up to be done on the issue.
- 8.11 **Paragraphs 264 and 265 were considered.**
- 8.12 **Paragraphs 180 to 183 were considered.**
- 8.13 **Paragraphs 184 to 187 (2013) and 266 and 267 (2014) – Acquisition of fixed and mobile pumps**
- 8.13.1 Noting the concerns raised by Members in relation to the termination of the contractual agreement between Surendra Engineering Corporation Limited and the Government of Guyana, and the fact that there was an undisbursed balance with regard to the loan issued by Export-Import Bank of India, the Committee agreed that the Accounting Officer should provide a written response on the issue. The response should be submitted within two weeks.
- 8.14 **Paragraph 268 was considered.**
- 8.15 At 3.40 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Accounting Officer and his team for their presence at the meeting.

ITEM 9: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR FISCAL YEARS ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/ Other	Paragraphs in the Auditor General Report		Accounting Officer
	2013	2014	
Guyana Defence Force	323 – 328 (6)	445 – 458 (14)	Colonel Paul Arthur

9.1 At 3.45 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Guyana Defence Force together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

9.1.1 Officers present for the examination were:

- (i) Colonel Paul Arthur - Quartermaster General
- (ii) Ms. Sharmila Sookhoo - Finance Supervisor, 5 Service Support Battalion
- (iii) Commander Vernon Burnett - Commanding Officer, 5 Service Support Battalion
- (iv) Captain Jocelyn McAllister - Officer Commanding, Project Execution Unit
- (v) Major Charles Wickham - Staff Officer 3, General 4 Movement
- (vi) Major Roderick Leitch - Staff Officer 1, General 4 (ag)
- (vii) Captain Sherwin Scipio - Finance Officer

9.2 Paragraphs 323 (2013) and 445 (2014) – Clearance of Cheque Orders

9.2.1 In response to queries made, the Accounting Officer informed the Committee that there were no outstanding cheque orders for the year 2013; however, there were five outstanding for 2014. He further stated that measures were put in place to ensure that all cheque orders were cleared within the stipulated sixteen days after they were issued.

9.3 Paragraphs 324 (2013) and 446 (2014) – Overpaid salaries and deductions

9.3.1 A Member enquired about the measures that were put in place to recover the overpayments and what had been done to correct the situation. The Accounting Officer in his response stated that letters were sent to the persons who were overpaid, however, to date no further recoupment was made.

9.4 Paragraph 447 – Rehabilitation of Artillery Barracks, Base Camp Stephenson- Timehri

9.4.1 The Accounting Officer informed the Committee that the contractor was deceased. As a result, a letter was sent to the Finance Secretary requesting a write-off of the overpayment. The request had been denied and recommendations were made to seek legal advice on the issue. The matter has since been referred to the Legal Department for resolution.

9.5 Paragraphs 326 and 327 (2013), 448 and 449 (2014) – Works done on the Second Infantry Administration Building at Camp Soweoyo

9.5.1 Members expressed dissatisfaction in relation to the recurrences of contractors being fully paid at the commencement of works. The Accounting Officer in his response acknowledged Members' concerns and reported that the Force was successful in recovering some of the amounts overpaid. He further stated that at present \$34,080 was the remaining balance on the contract and that he was currently working with the Auditor General's Office to have the issue resolved.

9.6 Paragraphs 328 and 329 (2013), and 450 (2014) were considered.

9.7 Paragraphs 451 and 452 – Registration of employees with the National Insurance Scheme and the Guyana Revenue Authority

9.7.1 Following queries made with regard to a number of unregistered employees without NIS numbers and Tax Identification Numbers (TIN), the Accounting Officer stated that in charting the way forward it was a requirement for persons to be registered with NIS and GRA before being recruited.

9.8 Paragraph 453 – Cash payments to employees

9.8.1 The Committee agreed that the Accounting Officer should have a meeting with the Accountant General and the Finance Secretary in an effort to have the issue resolved.

9.9 Paragraph 454 – Un-presented Log Books

9.9.1 In answer to a query, the Accounting Officer stated that as at 2015 systems were put in place to curb the tardiness in returning Log Books.

9.10 Paragraph 455 was considered.

9.11 Paragraph 456 – Master Inventory

9.11.1 The Committee was informed that the Force had implemented systems to ensure the proper maintenance of their Master Inventory.

9.12 Paragraph 457 – Outstanding Inter Departmental Warrants

9.12.1 In response to a query, the Accounting Officer stated that communication was made with the Commanding Officers within the various Regions. However, the issue remained a problem. As a result, a team would be dispatched to the Regions to have this matter resolved.

9.12.2 The Auditor General indicated that in some instances there were unspent balances on warrants and suggested that the Accounting Officer liaise with the Accountant General in an effort to determine a solution.

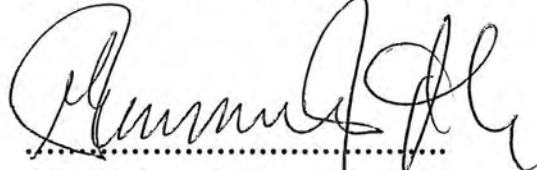
9.13 Paragraph 458 was considered.

9.14 At 4.15 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Accounting Officer and his team for their presence at the meeting.

Adjournment

At 4:25 p.m. the meeting was adjourned to 1.30 p.m., on Monday 16th May, 2016.

Confirmed this 16th day of May, 2016

A handwritten signature in black ink, appearing to read 'Mohamed Irfaan Ali', written over a horizontal dotted line.

Mr. Mohamed Irfaan Ali, M.P.

THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF THE ELEVENTH
PARLIAMENT OF GUYANA (2015-2016)

MINUTES OF THE
11TH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 1.35 P.M.
ON MONDAY, 16TH MAY, 2016
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON (1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P., - Excused
Minister of Social Protection

Hon. Valarie Patterson, M.P.,
Minister within the Ministry of Communities

Mr. Jermaine Figueira, M.P.

Mr. Charrandas Persaud, M.P. - Excused

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P.

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P.

Advisors

The Auditor General - (Mr. Deodat Sharma)
The Finance Secretary - (Dr. Hector Butts)
The Accountant General (Ag) - (Col. Jawahar Persaud)

Officers

Mr. Nickalai Pryce	- Clerk of Committees
Ms. Tracy Armstrong	- Assistant Clerk of Committees
Ms. Candayce Girard	- Assistant Clerk of Committees
Ms. Abiola Bazil	- Research and Analytical Assistant
Ms. Michelle Chung	- Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 1.35 p.m.

ITEM 2: ANNOUNCEMENT

2.1 Welcome

2.1.1 The Chairman welcomed Members, Advisors and Staff to the meeting.

2.2 Excuses

2.2.1 The Chairman informed the Committee that the Hon. Volda Lawrence, and Mr. Charrandas Persaud, had asked to be excused from the meeting.

2.3 X Congress of the Caribbean Organisation of Supreme Audit Institution (CAROSAI)

2.3.1 Members were informed that the Auditor General would be attending the X Congress of CAROSAI in Suriname from the 27th May to 3rd June, 2016. He indicated that Mrs. Geetanjali Singh, Audit Director, would function in the capacity of Auditor General and, on his behalf, attend Public Accounts Committee meetings during that period.

ITEM 3:**CIRCULATION OF DOCUMENTS**

3.1

The following documents had been circulated prior to the meeting:-

- (i) Notice of the 11th Meeting dated 10th May, 2016;
- (ii) Minutes of the 10th Meeting held on 9th May, 2016; and
- (iii) The Audit Office of Guyana Briefing Notes and responses received from the following Agencies to the Public Accounts Committee on the Reports of the Auditor General for the years 2013 and 2014 with respect to the following agencies:
 - Ministry of Foreign Affairs;
 - Ministry Culture, Youth and Sports; and
 - Ministry of Education.

3.2

The following documents were circulated at the meeting:-

- Updated response from the Ministry of Culture, Youth and Sport to the Public Accounts Committee on the Reports of the Auditor General for the years 2013 and 2014.

ITEM 4:**CORRESPONDENCE**

4.1

Incoming:

- Letter dated 12th May, 2016 from Mr. Reginald Brotherson, Permanent Secretary, Ministry of the Presidency, Department of the Public Service re: Examination of the 2013/2014 Report of the Auditor General (updated) response to query # 213.
- Letter dated 16th May, 2016, from Audit Office of Guyana, re: Attendance of the Auditor General at the X Congress of the Caribbean Organisation of Supreme Audit Institution (X CAROSAI Congress) during the period 27th May to 3rd June, 2016 in Suriname.

4.2

Outgoing:

- Letter dated 10th May, 2016 to Ms. Audrey Waddell, Director General, Ministry of Foreign Affairs re: Examination of the Auditor General's Report for the years 2013/2014;

- Letter dated 10th May, 2016 to Mr. Alfred King, Permanent Secretary, Ministry of Education, Department of Culture, Youth and Sports re: Examination of the Auditor General’s Report for the years 2013/2014; and
- Letter dated 10th May, 2016 to Ms. Delma Nedd, Permanent Secretary, Ministry of Education re: Examination of the Auditor General’s Report for the years 2013/2014.

ITEM 5: CORRECTION AND CONFIRMATION OF THE MINUTES OF THE 10TH MEETING HELD ON THE 9TH MAY, 2016

5.1 Corrections

5.1.1 Page 97, paragraph 7.2.1 – Training including Scholarship and a Contingency Fund Advance totalling \$671.432M and \$215.520M respectively

- Substitution of the word “Auditor” for the word “Accountant” in the last line of the paragraph.

5.2 Confirmation

5.2.1 The Minutes were confirmed, as corrected on a motion moved and seconded by Mr. Rutherford, and Mr. Dharamlall, respectively.

ITEM 6: MATTERS ARISING

6.1 Page 100, bullet (i) – Guyana Livestock Development Authority

6.1.1 The Committee was informed that audits were to be finalised and opinions issued.

6.2 Page 100, bullet (v) – Mahaica Mahaicony Abary Agricultural Development Authority

6.2.1 The Auditor General informed the Committee that the Financial Statements for the years 2008 and 2009 were waiting the signature by the entity. Further, audits for the years 2010 to 2014 had to be planned.

6.3 Page 100, bullet (viii) – Guyana Sugar Corporation

6.3.1 The Auditor General informed Members of the Committee that audit opinions had been issued for the years 2013 and 2014.

6.4 Page 104, paragraph 9.8 – Cash payments to employees

6.4.1 The Accountant General stated that a meeting had been held with the Accounting Officer of the Guyana Defence Force with a view to reducing the number of cash payments made to employees. He reported that of the forty-two employees of the Force, only nine persons were currently receiving cash payments.

ITEM 7:

EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report		Accounting Officer
Ministry of Foreign Affairs	<u>2013</u> 133 – 135(3)	<u>2014</u> 187-192 (6)	Ms. Audrey Waddell

7.1 At 1.40 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Ministry of Foreign Affairs together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

7.1.1 Officers present for the examination were:

- (i) Ms. Audrey Waddell - Director General (ag)
- (ii) Ms. Mignon Patrick - Chief Accountant
- (iii) Ms. Gillian Rowe - Chief Administrative Officer

7.2 Paragraphs 133 and 134 (2013), 187 and 188 (2014) – Unspent balances from Missions

7.2.1 The Chairman expressed concern with regard to the tardiness of undisbursed sums being returned to the Consolidated Fund. He enquired about the reasons for the recurrence of the issue.

- 7.2.2 The Accounting Officer, in her response, indicated that the problem exist because the Missions were not directly linked to the Integrated Financial Management System (IFMAS). As a result, the Missions could only prepare and submit their Financial Statements after reconciliation had been done by the Head Office.
- 7.2.3 She proffered an explanation with regard to a peculiar incident at the Mission in New York where unspent monies were not returned. Thereafter, Members were informed that a letter had been sent requesting the sums to be reimbursed and the Ministry was awaiting a response.
- 7.2.4 The Committee was also informed that most of the Missions did not have home-based Accountants or locally trained staff to perform the accounting duties. As a result, the Ministry was in the process of recruiting persons knowledgeable of the accounting system to fill such vacancies.
- 7.3 Paragraphs 135 (2013) and 189 (2014) – Outstanding advances totalling \$24.525M**
- 7.3.1 In response to a query, the Accounting Officer informed the Committee that measures were currently in place to ensure that revenues were being paid over to the Consolidated Fund at the end of each year.
- 7.3.2 The Chairman suggested that the Accounting Officer meet with the Accountant General and the Auditor General with the view to establish outcomes in resolving the issue and to ensure that all Financial Statements from the Missions are submitted at the end of every month.
- 7.4 Paragraphs 190 to 192 were considered.**
- 7.5 At 1.55 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Accounting Officer and his team for their presence at the meeting.

ITEM 8:

EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/ Other	Paragraphs in the Auditor General Report		Accounting Officer
	2013	2014	
Ministry of Culture, Youth and Sport	248 – 255 (8)	329 - 359 (30)	Mr. Alfred King

8.1 At 2.15 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Ministry of Culture, Youth and Sport together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

8.1.1 Officers present for the examination were:

- (i) Mr. Alfred King - Permanent Secretary
- (ii) Mr. Sheldon Alexander - Principal Assistant Secretary (Finance)
- (iii) Mr. Alborn Carbon - Procurement Officer
- (iv) Mr. Winsley Josiah - Supply Officer

8.2 Paragraphs 248 (2013) and 329 (2014) - Overpayment of Salaries and Deductions totalling \$640,977 and \$170,543., respectively

8.2.1 The Accounting Officer stated that strenuous efforts had been made to recover the overpayments. He indicated that advice had been sought from the Accountant General and the Ministry was able to recover the sum of \$18,546. To date no other repayments were received. The Committee was also informed that there were no overpayments from 2009 to present.

8.2.2 Thereafter, based on a suggestion by the Chairman, the Accountant General agreed to meet the Accounting Officer to ascertain whether the persons who where overpaid were in the employ of other Government Ministries.

- 8.3 Paragraphs 249 (2013) and 330 (2014) – Audit Reports for the National Sports Commission and National Trust**
- 8.3.1 The Chairman enquired whether the Audit Reports for the years 2011 to 2013 for the National Sports Commission had been laid in the National Assembly. The Accounting Officer responded in the negative. He stated that the Ministry was currently awaiting Cabinet’s approval of the Reports.
- 8.3.2 The Chairman suggested that the Finance Secretary enquired from the Minister of State to determine whether the Audit Reports had received Cabinet’s approval.
- 8.3.3 Thereafter, the Chairman enquired whether the Ministry was up-to-date in its preparation of Financial Statements. In response, the Accounting Officer informed Members that the Ministry was in the process of preparing 2015 Financial Statements for the National Sports Commission and the National Trust.
- 8.4 Paragraphs 250 (2013) and 331 (2014) – Revenues from the rental of the Guyana National Stadium and the sale of the Guyana Classic**
- 8.4.1 In response to a query, the Accounting Officer stated that all revenues were deposited into the Consolidated Fund with the exception of revenues collected for the rental of the Guyana National Stadium.
- 8.4.2 Following a discussion, the Chairman suggested that the Accounting Officer institute measures to ensure that all revenues be deposited into the Consolidated Fund.
- 8.5 Paragraphs 251 to 254 (2013) were considered.**
- 8.6 Paragraph 332 (2014) - Payment vouchers not presented for audits**
- 8.6.1 The Accounting Officer informed the Committee that of the one hundred and forty-four payment vouchers valued at \$43.520M not presented for audit; eighty-four were subsequently found and presented. Efforts were still being made to locate the outstanding sixty vouchers.

- 8.7 Paragraph 333 (2014) – Special Bank Account No. 016260004000**
- 8.7.1 A discussion ensued, after which the Accounting Officer concurred with the recommendation made by the Chairman that funds received from sources such as UNICEF, UNFPA and DIGICEL, Republic Bank and the Guyana Lotteries Commissions should be deposited into the Consolidated Fund.
- 8.8 Paragraph 334 (2014) was considered.**
- 8.9 Paragraphs 255 (2013), 335 and 336 (2014) – Installation of new air conditioning units at the National Cultural Centre**
- 8.9.1 The Accounting Officer indicated that retendering was done and the contract was awarded based on an evaluation made by the National Procurement and Tender Administration Board (NPTAB). Thereafter, the works were completed and the matter was resolved.
- 8.10 Paragraph 337 and 338 (2014) – Payment for equipment for the Synthetic Track and consultancy fees**
- 8.10.1 In answer to queries, the Accounting Officer stated that he was unable to provide all the requisite information on the aforementioned paragraphs, however, he commit to provide the information to the Committee at a subsequent date. Thereafter, the Chairman suggested that the Auditor General and Engineers carry out a full assessment of the project.
- 8.11 Paragraph 339 (2014) was considered.**
- 8.12 Paragraph 340 (2014) – Registration of employees with the National Insurance Scheme (NIS)**
- 8.12.1 The Accounting Officer informed the Committee that the Ministry was currently working assiduously to ensure that all employees were registered with NIS by June, 2016. He also stated that letters were sent to Directors of all departments in this regard.
- 8.13 Paragraph 341 (2014) was considered.**

- 8.14 Paragraph 342 (2014) – Cash payment of Salaries**
- 8.14.1 In light of a query, the Accounting Officer mentioned that measures were put in place to minimize cash payments. He also stated that at present only five persons were receiving cash payments.
- 8.15 Paragraph 343 (2014) – Maintenance of historical records and log books**
- 8.15.1 The Committee was informed that log books were updated and verified by the Auditors and historical records were updated.
- 8.16 Paragraph 344 (2014) – Breach of the provisions of section 43 of the Fiscal Management and Accountability Act (2003)**
- 8.16.1 The Accounting Officer in responding to a query stated that all stale dated cheques were updated, paid out or deposited into the Consolidated Fund.
- 8.17 Paragraph 345 (2014) – Payment Vouchers valued at \$ 53.080M not presented for audit examination**
- 8.17.1 Based on a query, the Accounting Officer stated that recommendations made by the auditors were being implemented with a view to ensure that all vouchers were properly maintained and made available for audits.
- 8.18 Paragraph 346 (2014) – Construction of a sanitary block at Carifesta Sports Complex**
- 8.18.1 The Accounting Officer stated that measures were put in place to ensure that all contract registers were checked and verified on a weekly basis.
- 8.19 Paragraph 347 (2014) – Purchase of security camera, air conditioning units, cameras, chairs, filing cabinets and fans**
- 8.19.1 The Accounting Officer stated that the Ministry was unable to locate the original approval for the change of programme. Subsequently, a copy was sent to NPTAB. Base on recommendations by the Chairman, the Accounting Officer agreed to provide the Committee with information on the change of programme within three days.
- 8.20 Paragraph 348 (2014) was considered.**

- 8.21 Paragraph 349 (2014) – Extension of building at Museum Heritage, Barima Avenue**
- 8.21.1 Conflicting views were expressed with regard to whether the requisite information relating to the contractual agreement was presented along with the contract documents for audits. The Procurement Officer informed the Committee that the requisite information was presented.
- 8.21.2 Noting the response by the Procurement Officer, Mr. Lall, Engineer, Audit officer agreed to recheck the records to verify the accuracy of the information.
- 8.22 Paragraphs 350 to 355 (2014) were considered.**
- 8.23 Paragraph 356 (2014) – Construction of reinforced concrete fence at the New Opportunity Corps**
- 8.23.1 Based on queries by the Chairman with regard to the additional works that were carried on the fence at the New Opportunity Corps. The Accounting Officer proffered an explanation with regard to the overpayment made to the contractor. He explained that the sum of \$8.198M was paid to the contractor for additional works which was completed and verified.
- 8.23.2 Subsequent to the discussion which ensued, the Chairman suggested that the Accounting Officer seek approval from the Finance Secretary and NPTAB to have the additional works included in the contract.
- 8.24 Paragraphs 357 to 359 (2014) were considered.**
- 8.25** At 3.15 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Accounting Officer and his team for their presence at the meeting.

ITEM 9:**EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:**

Ministry/Department /Other	Paragraphs in the Auditor General Report		Accounting Officer
Ministry of Education	<u>2013</u> 231 – 247 (17)	<u>2014</u> 303 - 328 (26)	Ms. Delma Nedd

9.1 At 3.20 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Ministry of Education together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

9.1.1 Officers present for the examination were:

- (i) Ms. Delma Nedd - Permanent Secretary
- (ii) Ms. Adele Clarke - Deputy Permanent Secretary (Finance)
- (iii) Ms. Geneve Blackman - Deputy Permanent Secretary (Admin)
- (iv) Mr. London Fogenay - Principle Assistant Secretary (Finance)
- (v) Mr. Rabindra kisshoon - Special Projects Officer, Buildings Dept.
- (vi) Ms. Ave Cummings - Accountant

9.2 Paragraphs 231 (2013) and 303 (2014) – Overpayments of Salaries and Deductions

9.2.1 In answering a query, the Accounting Officer informed the Committee that to-date \$758,052 of the total overpayment was recovered. She stated that in examining the issue, it was observed that 50% of the amounts had been deductions overpaid to the National Insurance Scheme (NIS) and Guyana Revenue Authority (GRA). Notwithstanding, a meeting was held with the Auditor General to re-examine prior year issues.

9.3 Paragraphs 232 (2013) and 304 (2014) were considered.

9.4 Paragraphs 233 (2013) and 305 (2014) – Amounts totalling \$4.116M on transactions for the years 2000 and 2001

9.4.1 The Accounting Officer informed Members that a letter was sent to the Finance Secretary with a view to resolve the matter.

- 9.5 Paragraphs 234 (2013) and 306 (2014) – Financial Statements not presented for timely audits**
- 9.5.1 Members were informed that Financial Statements for the years 2002 to 2007 with regard to President’s College were submitted and for the years 2008 to 2016 were currently being prepared.
- 9.5.2 Noting the response by Mr. Fogenay, PAS (F) the Chairman suggested that the Ministry work assiduously to have the statements submitted within six months to the Auditor General.
- 9.6 Paragraphs 235 (2013) and 307 (2014) – Purchase of Fuel and Lubricants**
- 9.6.1 In light of an enquiry, the Accounting Officer informed the Committee that recommendation by the Auditor General had been implemented. The historical records for each vehicle were properly maintained and fuel slips were prepared in duplicate and numbered sequentially.
- 9.6.2 The Accountant General suggested that the Ministry conduct seminars with drivers on the importance of maintaining log books in an effort to avoid recurrences.
- 9.7 Paragraphs 236 to 238 (2013) were considered.**
- 9.8 Paragraphs 239 (2013) and 308 (2014) – Breach of Stores Regulations**
- 9.8.1 The Chairman expressed concern about the continuous breach of the stores regulations by the Ministry. The Accounting Officer stated that assets had been marked and corrective actions taken. In addition, the Ministry had increased monitoring at various locations to alleviate recurrences.
- 9.9 Paragraph 240 (2013) was considered.**
- 9.10 Paragraphs 241 (2013) and 309 (2014) – Amount totalling \$18.470M for the supply of equipment for Technical/Vocational Projects**

9.10.1 The Accounting Officer indicated that the matter with regard to the recovery of the sum totalling \$10.545M for equipment not supplied by the contractor had been engaging the attention of the court. Thereafter, the Chairman recommended that the Finance Secretary follow-up this issue to ascertain whether the contractor was currently engaged in others contracts with any other Ministry/Department/Region.

9.11 Paragraphs 242 and 310 – Overpayment to contractor totalling \$1.385M

9.11.1 Following a query, the Accounting Officer indicated that the Ministry was able to recover a total of two hundred thousand dollars. However, the Ministry had since engaged the Attorney General for intervention.

9.11.2 Questioned with regard to the measures that were put in place to avoid a recurrence, Mr. Kisshoon, Project Coordinator stated that the Ministry had implemented visual checks of the project and the recruitment of additional Engineers.

9.12 Paragraph 243 (2013) and 311 (2014) - Establishment of a Housing Revolving Fund

9.12.1 A Member enquired about the status of the agreement between the Ministry and the Guyana Teacher's Union. In response, the Accounting Officer stated that in order to ascertain the best approach, the Ministry was currently engaging the Bank of Guyana and Guyana Teachers' Union.

9.12.2 The Chairman informed the Accounting Officer that the Bank of Guyana could not administer the funds. He, therefore, suggested that she engage the Finance Secretary and the Accountant General on the issue. In addition, after the administrative aspects were agreed upon, consultations should be held with the Minister of Housing and the Union.

9.13 Paragraph 244 (2013) was considered.

9.14 Paragraph 312 (2014) –Payroll records

9.14.1 Members were updated of the following:

- (i) Personal files were kept for part-time employees;

- (ii) there were ongoing efforts to recover the overpayment of salary totalling \$30,000; and
- (iii) The National Insurance Scheme was currently assisting the Ministry with the issuance of permanent NIS numbers.

9.14.2 She also stated that it was mandatory for new employees to submit their Taxpayer Identification Number (TIN), bank account number and NIS number before being placed on the payroll.

9.15 Paragraph 245- University of Guyana Science and Technology Support Project

9.15.1 The Chairman suggested that the Accounting Officer submit to the Committee information on the aforementioned project by the end of the week.

9.16 Paragraphs 246 and 247 (2013) were considered.

9.17 Paragraph 313 (2014) was considered.

9.18 Paragraph 314 (2014) – Charge bills from the Guyana Oil Company (GUYOIL)

9.18.1 In light of an enquiry, the Deputy Permanent Secretary (Admin) stated that following an investigation it was revealed that five of the twenty- nine vehicles that had been issued fuel by GUYOIL, were registered to private individuals whilst one was not registered at the Guyana Revenue Authority. A letter had been sent to GUYOIL requesting information in that regard.

9.19 Paragraph 315 (2014) – Discrepancies in relation to the School Feeding Programme

9.19.1 Following queries, the Accounting Officer explained that the Ministry had experienced some challenges with regard to receiving timely reports from far flung areas. She further stated that the Ministry had engaged the Regional Education Officers in this regard.

9.20 Paragraphs 316 to 328 (2014) were considered.

- 9.21 At 3.55 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Accounting Officer and her team for their presence at the meeting.

ITEM 10: ANY OTHER BUSINESS

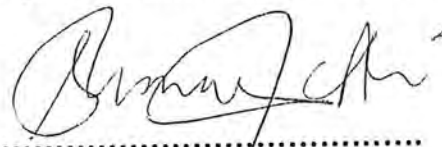
10.1 **Guyana's 50th Golden Jubilee of Independence**

- 10.1.1 The Chairman wished Members and Staff a Happy Independence and asked that persons used this occasion to reflect on the progress and deficiencies we may have as a nation.

Adjournment

At 4.00 p.m., the meeting was adjourned to 1.30 p.m. on Monday 30th May, 2016.

Confirmed this.....day of May, 2016



.....
Mr. Mohamed Irfaan Ali, M.P.
Chairman

THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF THE ELEVENTH
PARLIAMENT OF GUYANA (2015-2016)

MINUTES OF THE
12TH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 2.15 P.M.
ON MONDAY, 30TH MAY, 2016
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON (1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P., - Excused
Minister of Social Protection

Hon. Valarie Patterson, M.P., - Excused
Minister within the Ministry of Communities

Mr. Jermaine Figueira, M.P.

Mr. Charrandas Persaud, M.P.

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P.

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P. - Excused

Advisors

The Audit Director - (Mrs Geetanjali Singh)

The Finance Secretary - (Dr. Hector Butts) - Excused

The Accountant General (Ag) - (Col. Jawahar Persaud)

Officers

Mr. Nickalai Pryce

- Clerk of Committees

Ms. Tracy Armstrong

- Assistant Clerk of Committees

Ms. Candayce Girard

- Assistant Clerk of Committees

Ms. Abiola Bazil

- Research and Analytical Assistant

Ms. Michelle Chung

- Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 2.15 p.m.

ITEM 2: ANNOUNCEMENT

2.1 Welcome

2.1.1 The Chairman welcomed Members, Advisors and Staff to the meeting.

2.2 Excuses

2.2.1 The Chairman informed the Committee that the Hon. Valarie Patterson, and Mr. Nigel D. Dharamlall, had asked to be excused from the meeting. Members were also informed that the Finance Secretary was currently out of the jurisdiction.

2.3 Invitation from UG Institute of Gender Studies and the Women and Gender Equality Commission to Members of the Public Accounts Committee to attend Seminar on 1st June, 2016

2.3.1 The Committee was informed that an invitation was extended to all Members of the Public Accounts Committee, Staff and Advisors to attend a seminar on exploring Gender Budgeting - concepts, mechanisms and examples. The seminar would be held on Wednesday, 1st June, 2016 at 11.00 p.m. in the Parliament Chamber.

ITEM 3: CIRCULATION OF DOCUMENTS

3.1 The following documents had been circulated prior to the meeting:-

- (i) Notice of the 12th Meeting dated 23rd May, 2016;
- (ii) Minutes of the 11th Meeting held on 16th May, 2016;
- (iii) Invitation from UG Institute of Gender Studies and Women and Gender Equality Commission to Members of the Public Accounts Committee to attend Seminar on 1st June, 2016;
- (iv) Letter dated 16th May, 2016 from Mr. George Jarvis, Permanent Secretary, Ministry of Agriculture re: Examination of the 2013/2014 Reports of the Auditor General - Additional information; and
- (v) The Audit Office of Guyana Briefing Notes to the Public Accounts Committee on the Reports of the Auditor General for the years 2013 and 2014 with respect to the following agencies:
 - Ministry of Local Government; and
 - Ministry of Amerindian Affairs.

3.2 The following documents were circulated at the meeting:-

- (i) Responses from the Ministry of Communities and the Ministry of Amerindian Affairs to the Public Accounts Committee on the Reports of the Auditor General for the years 2013 and 2014.

ITEM 4: CORRESPONDENCE

4.1 Incoming: Nil

4.2 Outgoing:

- Letter dated 23rd May, 2016 to Mr. Emil Mc Garrell, Permanent Secretary, Ministry of Communities re: Examination of the Auditor General's Report for the years 2013 and 2014; and
- Letter dated 23rd May, 2016 to Mr. Vibert Welch, Permanent Secretary, Ministry of Indigenous People's Affairs re: Examination of the Auditor General's Report for the years 2013 and 2014.

ITEM 5: CORRECTION AND CONFIRMATION OF THE MINUTES OF THE 11TH MEETING HELD ON THE 16TH MAY, 2016

5.1 The Minutes were confirmed, without corrections, on a motion moved and seconded by Bishop Juan A. Edghill and Mr. Jermaine Figueira, respectively.

ITEM 6: MATTERS ARISING

6.1 There were no matters arising from the Minutes.

ITEM 7: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/ Other	Paragraphs in the Auditor General Report		Accounting Officer
Ministry of Local Government	<u>2013</u> 143 - 147 (5)	<u>2014</u> 201 - 212 (12)	Mr. Emil Mc Garrell

7.1 At 2.17 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Ministry of Local Government together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

7.1.1 Officers present for the examination were:

- (i) Mr. Emil Mc Garrell - Permanent Secretary
- (ii) Ms. Theola Harper - Chief Accountant
- (iii) Ms. Isha Barrow - Assistant Accountant
- (iv) Ms. Chitra P. Kishun - Auditor
- (v) Mr. Deryck Phyll - Auditor
- (vi) Ms. Mellone Frank - Auditor
- (vii) Ms. Dacia Fraser - Auditor

7.2 Paragraphs 143 and 144 (2013), 201 and 202 (2014) – Capital subventions to Municipalities and Local Community Councils

7.2.1 A Member enquired about the current status on the investigation with regard to the misappropriation of funds at the Unity/Vereeniging Neighbourhood Democratic Council (NDC). He also enquired about the submission of the 2013/2014 Financial Statements for audits.

7.2.2 The Accounting Officer indicated that efforts were made to obtain a copy of the report from the Police; however, this was unsuccessful. He further stated that thirteen NDCs had submitted financial statements for the year 2014. Notwithstanding, this the timely submission of financial statements from the NDC's continues to be a challenge for the Ministry.

7.2.3 In addition, the Accounting Officer stated that training was done in conjunction with the Audit Office and overseers regarding the timely submission of financial statements.

7.3 Paragraphs 145 (2013) and 203 (2014) – Municipals and District Councils

7.3.1 Concerns were raised with regard to the Linden Town Council's incomplete submission and the non-submission of financial statements for the years 1985 to 2010 and 2011 to 2013, respectively.

- 7.3.2 Subsequent to the discussions which ensued, the Accounting Officer was asked to provide the Committee with information regarding the current Linden Town Clerk. It was also recommended that if the individual was the defaulting Officer the Accounting Officer should then update the Committee on the disciplinary actions that would be instituted by the Ministry.
- 7.3.3 Thereafter, the Accounting Officer sought guidance from the Committee on the way forward. The Chairman requested that the Clerk of the Committee write the Accounting Officer in relation to what the Fiscal Management and Accountability Act No. 20 of 2003 and the Audit Act No. 5 of 2004 outlined for Accounting Officers who were in breach of their responsibilities.
- 7.4 **Paragraphs 146 (2013) and 204 (2014) – Construction of the Plaisance Market Tarmac**
- 7.4.1 Based on queries, the Committee was informed that engineers from the Ministry, the Audit Office and the contractor had reassessed the project with a view of ascertaining whether an overpayment was made. As a result, it was discovered that an overpayment of \$1.234M had been paid over. The contractor contested the overpayment and stated that the claims were made after the completed works.
- 7.4.2 Subsequently, a letter was sent to the contractor informing him that he had been in default and the Ministry was pursuing a legal course of action, if no response was provided, within two weeks. The Attorney General had been informed of the matter.
- 7.5 **Paragraphs 147 (2013) and 205 (2014) – Solid Waste Disposable Programme**
- 7.5.1 Following queries made by Members, the Accounting Officer stated that the matter was being addressed by the Attorney General in relation to a settlement agreement with the Government and a joint venture between B.K Construction Inc. and Puran Brothers Disposal Inc. In addition, the Ministry was currently in the process of advertising for tenders in an effort to have the works completed.
- 7.5.2 The Chairman advised the Accounting Officer that the Committee should be updated fortnightly on the issue pending a resolution on the matter.

- 7.6 **Paragraphs 206 to 208 (2014) were considered.**
- 7.7 **Paragraph 209 (2014) – Construction of sanitary block in Region No.2**
- 7.7.1 The Accounting Officer in response to a query stated that approval was not granted for the change in programme before works were undertaken. However, the said works had been completed.
- 7.8 **Paragraph 210 (2014) – National Clean-up Programme**
- 7.8.1 In light of an enquiry, the Accounting Officer mentioned that the equipment had been procured in 2014 and were maintained by resources from local authorities to which they were deployed.
- 7.8.2 The Chairman enquired about what measures the Ministry had in place to monitor the proper maintenance of the equipment. The Accounting Officer indicated that the Ministry would implement measures and subsequently, update the Committee with the information in that regard.
- 7.9 **Paragraph 211 was considered.**
- 7.10 **Paragraph 212 (2014) – Construction of access road to landfill site at Zorg-En-Hoop Region No. 5**
- 7.10.1 The Accounting Officer informed the Committee that with regard to the aforementioned paragraph, an assessment had been done and the project was currently under investigation. Thereafter, the Chairman suggested that the Accounting Officer submit to the Committee, within two weeks, an update on the project.
- 7.11 At the conclusion of the discussion, the Chairman thanked the Accounting Officer and his team for their presence at the meeting. He further recommended that the Accounting Officer organise a team to liaise with the Auditor General, the Accountant General and the Finance Secretary with a view of finding solutions to resolve the issue with regard to the non-submission of Financial Statements from various agencies.
- 7.12 The Accounting Officer was also requested to write all Accounting Officers under his purview reminding them of the responsibilities entrusted in them.

7.13 At 3.10 p.m., the Committee concluded the examination of the above accounts.

ITEM 8: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/ Other	Paragraphs in the Auditor General Report		Accounting Officer
Ministry of Amerindian Affairs	<u>2013</u>	<u>2014</u>	Mr. Vibert A. Welch
	148 – 167 (20)	221 - 261(41)	

8.1 At 3.15 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Ministry of Amerindian Affairs together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

8.1.1 Officers present for the examination were:

- (i) Mr. Vibert A. Welch - Permanent Secretary
- (ii) Ms. Samantha Jarvis-Wright - Chief Accountant

8.2 Paragraphs 148 and 149 (2013), 221 and 222 (2014) - Overpayment of salaries

8.2.1 In responding to a query, the Accounting Officer indicated that a letter was sent to the Solicitor General and the Finance Secretary on the issue. He further stated that the Commissioner of Police had been contacted in an effort to locate the persons who were overpaid to facilitate the recovery of the overpayments.

8.2.2 Following discussions which ensued, the Accounting Officer stated that the Ministry had implemented measures to reduce instances of overpayment of salaries. He explained that in an effort to recover salary/benefits the Accountant General was notified immediately when an employee voluntarily terminates his/her services before the end of the month.

- 8.3 **Paragraphs 150 to 152 (2013), 223 to 225 (2014) were considered.**
- 8.4 **Paragraphs 153 (2013), 226 (2014) – Log books and historical records for vehicles owned and/or operated by the Ministry**
- 8.4.1 The Accounting Officer in answer to a query stated that log books were issued to drivers and periodic checks were done by Supervising Officers to ensure that the books were properly maintained.
- 8.5 **Paragraphs 154 to 158 (2013), 227 to 230 (2014) were considered.**
- 8.6 **Paragraphs 159 to 162 (2013) and 231 (2014) – The Amerindian Purpose Fund**
- 8.6.1 The Accounting Officer informed the Committee that recommendations made by the Auditor General were noted. He also stated that because of the location of the regions, the Ministry encountered difficulties collecting the vouchers in a timely manner. As a result of those challenges, to date, all vouchers were not verified. However, the Ministry had embarked on a reconciliation process in an effort to correct the issue and avoid recurrences.
- 8.6.2 Following further queries with regard to the time frame for the completion of the reconciliation process, the Accounting Officer stated that the process should be completed within three months.
- 8.6.3 Noting the comments made by the Accounting Officer, the Chairman suggested that the report be submitted to the Committee and the Auditor General on the completion of the process.
- 8.7 **Paragraphs 163 to 167 (2013), 232 and 233 (2014) were considered.**
- 8.8 **Paragraphs 234 to 236 (2014) – Establishment of the Amerindian Purposes Fund (APF)**
- 8.8.1 In responding to a query, the Accounting Officer stated that a letter had been sent to the Ministry of Legal Affairs to ascertain the legality of the Fund. To date no response was received.
- 8.9 **Paragraphs 237 and 238 (2014) were considered.**

8.10 Paragraphs 239 and 240 (2014) – Supply and installation of Solar Photovoltaic System

8.10.1 A Member questioned whether the remaining ninety-seven units in stock were distributed; the Accounting Officers was unable to give a definitive response. As a result, the Chairman suggested that the information be provided to the Committee within one week.

8.10.2 The Accounting Officer informed the Committee that prior to the meeting, the Ministry had received a status report from the Guyana Energy Agency (GEA) on the issue. Subsequently, the document was circulated to Members.

8.11 Paragraph 241 (2014) – Procurement of items for Amerindian Villages

8.11.1 The Accounting Officer explained that in an effort to correct the issue with regards to the timely submissions of relevant documentations by the regions. The Ministry had recruited ten additional Community Development Officers (CDOs) to assist in this effort.

8.12 Paragraph 242 (2014) – Stipend for Community Support Officers (CSOs)

8.12.1 Following queries, the Accounting Officer informed Members that each CSO's is paid a monthly stipend of thirty thousand dollars. He further stated that Inter Departmental Warrants were issued to the various regions to effect payments.

8.12.2 In addition, to avoid a recurrence of missing payment vouchers and the absence of signatures on relevant documents, the Ministry had embarked on a system where Project Officers would pay CSOs with cash and have their signatures affixed immediately to the payroll; vouchers would then be returned to the Ministry.

8.12.3 Subsequent to the discussion which ensued, the Accounting Officer agreed to provide the Committee with a report in relation to the missing payment vouchers and supporting documents, after the verification process would have been completed. He also agreed that training sessions would be held with Toshaos on the guidelines and importance of submitting relevant documents in a timely manner.

- 8.13 **Paragraphs 243 and 244 (2014) were considered.**
- 8.14 **Paragraph 245 (2014) – Poverty Programme for the purchase and distribution of school uniforms in Regions Nos. 1, 8 and 9**
- 8.14.1 The Accounting Officer informed the Committee that the unspent balance of \$10.278M was refunded to the Consolidated Fund.
- 8.14.2 Noting the response by the Accounting Officer, the Chairman requested that a report be submitted to the Committee in this regard.
- 8.15 **Paragraph 246 (2014) was considered.**
- 8.16 **Paragraph 247 (2014) – Maintenance Works**
- 8.16.1 In response to a query, the Committee was informed that a vacancy for an engineer exist in the Ministry present, works done in the various regions are verified by the Regional Administration Engineers, and in their absence the Project Officers would visit the sites and inspect the works.
- 8.17 **Paragraph 248 to 255 (2014) were considered.**
- 8.18 **Paragraph 256 (2014) – Purchase of tractors and implements**
- 8.18.1 An enquiry had been made with regard to whether the tractors purchased were registered. In response, the Accounting Officer stated that the four tractors were deployed to the various regions and awaiting registration.
- 8.19 **Paragraphs 257 to 260 (2014) were considered.**
- 8.20 **Paragraph 261 (2014) – Funds transferred to the Amerindian Purpose Fund (APF)**
- 8.20.1 Following a query by a Member, the Accounting Officer stated that regarding the Presidential Grants, to date, all payments were not made and the remaining balances kept in the APF. He agreed that the monies should be deposited into the Consolidated Fund.

8.24

At 4.48 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Accounting Officer and his team for their presence at the meeting.

Adjournment

At 4.50 p.m., the meeting was adjourned to 1.30 p.m. on Monday, 6th June, 2016.

Confirmed this...6...day of June, 2016


.....
*Mr. Mohamed Irfaan Ali, M.P.,
Chairman*

THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF THE ELEVENTH
PARLIAMENT OF GUYANA (2015-2016)

MINUTES OF THE
13TH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 1.40 P.M.
ON MONDAY, 6TH JUNE, 2016
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON (1)

Mr. Mohamed Irfaan Ali, M.P. - Excused

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P.,
Minister of Social Protection

Hon. Valarie Patterson, M.P.,
Minister within the Ministry of Communities

Mr. Jermaine Figueira, M.P.

Mr. CharrandasPersaud, M.P.

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P. - Absent

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P.

Advisors

The Auditor General - (Mr. Deodat Sharma)

The Finance Secretary - (Dr. Hector Butts)

The Accountant General (Ag) - (Col. Jawahar Persaud) - Absent

Officers

Mr. Nickalai Pryce	- Clerk of Committees
Ms. Tracy Armstrong	- Assistant Clerk of Committees
Ms. Candayce Girard	- Assistant Clerk of Committees
Ms. Abiola Bazil	- Research and Analytical Assistant
Ms. Michelle Chung	- Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 1.40p.m.

ITEM 2: ANNOUNCEMENT

2.1 Welcome

2.1.1 The Chairman welcomed Members, Advisors and Staff to the meeting.

2.2 Excuses

2.2.1 The Committee was informed that Mr. Mohamed Irfaan Ali, Chairman of the Committee, had asked to be excused from the meeting.

2.3 Chairing of the Meeting

2.3.1 The Committee in acknowledging that the Chairman had asked to be excused agreed that Bishop Juan A. Edghill would preside over the meeting.

ITEM 3: CIRCULATION OF DOCUMENTS

3.1 The following documents had been circulated prior to the meeting:-

- (i) Notice of the 13th Meeting dated 31st May, 2016;
- (ii) Minutes of the 12th Meeting held on the 30th May, 2016;
- (iii) The Audit Office of Guyana Briefing Notes and responses received on the Reports of the Auditor General for the years 2012, 2013 and 2014 with respect to the following Regions:
 - Region No. 2 – Pomeroon/Supernaam
 - Region No. 3 – Essequibo Islands/West Demerara
 - Region No. 4 – Demerara/Mahaica

3.2 The following document was circulated at the meeting:-

- (i) Updated response received on the Report of the Auditor General for the year 2014 from Region No. 3 – Essequibo Islands/West Demerara.

ITEM 4: CORRESPONDENCE

4.1 **Incoming: Nil**

4.2 **Outgoing:**

- (i) Letter dated 31st May, 2016 to Mr. Rupert Hopkinson, Regional Executive Officer, Region No. 2- Pomeroon/Supernaam re: Notice of and Invitation to attend PAC Meeting;
- (ii) Letter dated 31st May, 2016 to Mr. Denis Jaikaran, Regional Executive Officer, Region No. 3- Essequibo Islands/West Demerara re: Notice of and Invitation to attend PAC Meeting; and
- (iii) Letter dated 31st May, 2016 to Ms. Pauline Lucas, Regional Executive Officer, Region No. 4- Demerara/Mahaica re: Notice of and Invitation to attend PAC Meeting.

ITEM 5: CORRECTION AND CONFIRMATION OF THE MINUTES OF THE 12TH MEETING HELD ON THE 30TH MAY, 2016

5.1 The Minutes were confirmed, without corrections, on a motion moved and seconded by Mr. Audwin Rutherford and Mr. Jermaine Figueira, respectively.

ITEM 6: MATTERS ARISING

6.1 There were no matters arising from the Minutes.

ITEM 7: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER, 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 2 – Pomereroon/ Supernaam	304 - 312 (9)	367 – 369 (3)	499 – 507 (9)	Mr. Rupert Hopkinson

7.1 At 1.50p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No. 2 – Pomereroon/ Supernaam together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

7.1.1 Officers present for the examination were:

- (i) Mr. Rupert Hopkinson - Regional Executive Officer
- (ii) Ms. Abena Moore - Deputy Permanent Secretary, Ministry of Communities
- (iii) Mr. Latchman Parswattee - Regional Engineer, Public Works
- (iv) Ms. Yvette Hastings - Assistant Regional Education Officer
- (v) Ms. Portia Jacobs - Expenditure Planning and Management Analyst (EP&MA)
- (vi) Mr. Denesh Mohan - Senior Superintendent of Works, Public Works (S.S.O.W)

- (vii) Ms Indrawattie Singh - Chief Accountant
- (viii) Mr. Deryck Phyll - Auditor, Ministry of Communities
- (ix) Ms. Mellone Frank - Auditor, Ministry of Communities

7.2 Paragraphs 304 (2012), 367 (2013) and 499 (2014) – Cabinet’s Approval for write-off

7.2.1 In answer to query, the Accounting Officer stated that the Region was currently awaiting the approval for the write-off of gasoline valued \$1.640M.

7.2.2 Questioned further with regard to the shortage of cash at the Anna Regina Multilateral School, the Accounting Officer indicated that if there was no forthcoming report from the Police, the matter would engage the attention of the Permanent Secretary, Ministry of Communities on the way forward.

7.3 Paragraphs 305 and 306 (2012) were considered.

7.4 Paragraphs 307 to 309 (2012), 368 (2013) and 500 (2014) – Overpayments on projects totalling \$4.482M

7.4.1 A Member noting the total overpayment recovered by the Region enquired whether further actions were taken to recover the remaining balance of \$1.746M. In response, the Accounting Officer stated that publications had been placed in the newspapers for the contractors to contact the Regional Administration in an effort to resolve the issue; however, to date no response had been received.

7.4.2 He further stated that if efforts proved futile, advice would be sought from the Regional Executive Officer, Region No. 3, the Permanent Secretary, Ministry of Communities or the Police with a view to resolve the issue.

7.4.3 Questioned whether the contractors were currently engaged in further contracts, the Accounting Officer responded in the negative.

7.5 Paragraphs 310 to 312 (2012) and 501 (2014) were considered.

- 7.6 Paragraph 502 (2014) –Fuel and lubricants totalling \$16,387 and \$118,630, respectively**
- 7.6.1 In response to a query regarding the action taken by the Region with regard to the issuance of fuel and lubricants, the Accounting Officer informed the Committee that the matter was under investigation.
- 7.6.2 He also stated that in an effort to prevent recurrences, physical checks were done against the Performance Fuel Pressure Regulator (ISR). However, if necessary, the dipstick would also be used to ensure that an accurate amount of fuel had been issued.
- 7.7 Paragraph 503 (2014) – House Rent Register**
- 7.7.1 The Accounting Officer informed the Committee that letters were sent to persons occupying living quarters who were not entitled to reside in the buildings. The letters served as a notice to the occupants to vacate the premises by 1st July, 2016.
- 7.7.2 He further stated that letters were also sent to defaulting occupants, advising them that all outstanding payments (rents) were due on or before 1st July, 2016. However, if proved futile, permission would be sought for the monies to be deducted from the salaries of the occupants.
- 7.7.3 Consequent to the discussion which ensued, with regard to the rules that governed the entitlement of persons in living quarters, the Accounting Officer in his response stated that the Region was guided by the Public Service Rules and circulars.
- 7.7.4 Thereafter, the Presiding Officer suggested that the Finance Secretary and the Auditor General discuss the matter and re-issue guidance on the way forward.
- 7.8 Paragraphs 369 (2013) and 504 (2014) were considered.**
- 7.9 Paragraphs 505 to 507 (2014) were considered.**
- 7.10 At 2.15 p.m., the Committee concluded the examination of the above accounts. The Presiding Officer thanked the Accounting Officer and his team for their presence at the meeting.

ITEM 8:

EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER, 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 3 – Essequibo Islands/ West Demerara	313 - 317 (5)	370 – 377 (8)	508 – 517 (10)	Mr. Denis Jaikaran

8.1 At 2.17 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No. 3 – Essequibo Islands/ West Demerara together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

8.1.1 The Committee was informed that Mr. Denis Jaikaran, Regional Executive Officer, Region No. 3, was unable to appear before the Committee, since; he had to attend a matter in the Supreme Court of Judicature. In his absence, Ms. Ameena Hinds, Deputy Regional Executive Officer, would function in the capacity of Accounting Officer.

8.1.2 Officers present for the examination were:

- (i) Mr. Emil McGarrell - Permanent Secretary, Ministry of Communities
- (ii) Ms. Ameena Hinds - Deputy Regional Executive Officer
- (iii) Mr. Joseph Patterson - Regional Engineer
- (iv) Ms. Elaine Hamilton - Principal Assistant Secretary (Finance)
- (v) Mr. Shawn Bancroft - Regional Health Officer
- (vi) Mr. Deryck Phyll - Auditor, Ministry of Communities
- (vii) Ms. Mellone Frank - Auditor, Ministry of Communities

8.2 Paragraphs 313 (2012), 370 and 377 (2013) and 508 (2014) – Overpayment of salaries and deductions

8.2.1 In answer to a query, the Accounting Officer proffered an explanation that the overpaid salaries had been recovered. In addition, the National Insurance Scheme had since refunded the deductions. However, the Region was in communication with the Guyana Revenue Authority (GRA) with a view to have the deductions refunded.

8.3 Paragraphs 314 (2012), 371 (2013) and 511 (2014) – Clearing of cheque orders

8.3.1 Responding to a query by a Member, the Accounting Officer stated that the Region was currently updating their records and outstanding cheque orders were being processed.

8.3.2 Ms. Elaine Hamilton, Principal Assistant Secretary (F) informed the Committee that the cheque orders could not be located. However, strenuous efforts were being made to locate them. In addition; she stated that the Region was in discussion with the Auditor General with a view to resolve the issue.

8.3.3 Noting the comments made, the Auditor General informed Members that following the audits done, it had been discovered that the Region was in possession of the cheque orders. He further stated that payments were made for items supplied to the Region. However, the payment vouchers and all other requisite supporting documents were not found.

8.3.4 At the conclusion of the discussion, the Accounting Officer stated that there was a sixteen days period for the clearance of vouchers. However, if cheque orders were not cleared during that time, no other cheque order would be issued.

8.3.5 Thereafter, the Presiding Officer suggested that a report on the resolution of the issue should be submitted to the Committee within three weeks.

8.4 Paragraphs 315 (2012), 372 (2013) and 509 (2014) –Unserviceable vehicle/equipment

8.4.1 Queries were made with regard to the procedure for the disposal of unserviceable vehicles/equipment. The Finance Secretary explained that once items were deemed unserviceable, a letter should be sent to him with a list of those items attached. Thereafter, audit checks would be done to verify the items.

8.4.2 He further stated that directives on the steps that should be taken for the disposal and/or sale of the items would be given when the verification process was completed.

8.4.3 Noting the comments made by the Finance Secretary, the Accounting Officer in an effort to have the issue resolved undertook to follow up the matter.

8.4.4 Thereafter, the Presiding Officer recommended that a report should be submitted to the Committee within three weeks on the issue.

8.5 Paragraphs 316 (2012), 373 to 375 (2013) and 510 (2014) – Stores operated by the Regional Administration

8.5.1 The Accounting Officer informed the Committee that comprehensive stock count is being done and bin cards and stock ledgers were currently updated. She stated that the process should be completed within six weeks. The auditors would be informed when the process has been completed.

8.6 Paragraphs 317 (2012), 376 (2013) and 512 (2014) – Overpayment on contracts totalling \$4.929M

8.6.1 Questioned with regard to the follow-up actions that would be taken to recover the overpayments. The Accounting Officer stated that the Region was successful in recovering the sum of \$100,000 from one contractor, a promissory note was signed and registered mail had been sent. However, the Region was awaiting a response from the contractor.

8.6.2 Salient views were expressed. Thereafter, the Presiding Officer recommended that the Accounting Officer submit a status report on the issue within three weeks.

8.7 Paragraph 513 (2014) – Medical supplies totalling \$3.14M

8.7.1 The Accounting Officer informed the Committee that the Environmental Health Officer through the Food and Drugs Department verified that the drugs disposed had expired and were unsafe for human consumption, subsequently, a list of the items were copied to the Auditors.

8.8 Paragraphs 514 to 517 (2014) were considered.

8.9 At 3.06 p.m., the Committee concluded the examination of the above accounts. The Presiding Officer thanked the Accounting Officer and her team for their presence at the meeting.

ITEM 9: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER, 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 4 – Demerara/ Mahaica	318 - 335 (18)	378 – 403 (26)	518 – 536 (19)	Ms. Pauline Lucas

9.1 At 3.20p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No. 4 – Demerara/ Mahaica together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

9.1.1 Officers present for the examination were:

- (i) Mr. Emil Mc Garrell - Permanent Secretary, Ministry of Communities
- (ii) Ms. Pauline Lucas - Regional Executive Officer
- (iii) Ms. Sharon Pantlitz - Principal Assistant Secretary (Finance)
- (iv) Ms. Rhonda Marshall - Principal Personnel Officer
- (v) Mr. Elon Austin - Regional Engineer
- (vi) Mr. Bishan Dalip - Regional Engineer

- (vii) Mr. Deryck Phyll - Auditor, Ministry of Communities
- (viii) Ms. Mellone Frank - Auditor, Ministry of Communities

9.2 Paragraphs 318 (2012), 378 and 389 (2013), 518(2014) – Overpayment of salaries and deductions

9.2.1 In response to queries with regard to the measures instituted for the recovery of the overpayments, the Accounting Officer indicated that letters had been sent to individuals and agencies in an effort to recover the outstanding sums. However, if no responses were received within two weeks, further discussions would be held on the way forward.

9.2.2 Thereafter, the Accounting Officer agreed to provide the Committee with the following:

- (i) Total number of persons who were overpaid;
- (ii) Their profession; and
- (iii) The areas from which they originated.

9.3 Paragraphs 319 (2012), 379 and 398(2013), 526 (2014) – Clearing of Cheque Orders

9.3.1 Based on queries made, the Accounting Officer stated that the sixteen days rule with regard to the clearing of cheque orders were currently being adhered to. She further stated that the Region was working assiduously to clear the current back log and was successful in reducing the number of cheque orders on hand.

9.4 Paragraphs 320 (2012), 380 (2013), 519 and 520 (2014) – Methods of payment (Cash and bank)

9.4.1 The Committee was informed that Sweepers/Cleaners were not contracted employees. The Accounting Officer explained that cheques were presented to the various Head Teachers and deposited into the schools' back accounts, thereafter cash payments were made to the Sweepers/Cleaners.

- 9.4.2 Questioned whether the Region was responsible for the purchasing of utensils and supplies for the Sweepers/Cleaners and on what basis were the items issued, the Accounting Officer responded in the affirmative and stated that distribution of the items was done by the Regional Education Officer to the respective Head Teachers who would then distribute to the Staff.
- 9.5 **Paragraphs 321 (2012), 381 (2013) and 521 (2014) were considered.**
- 9.6 **Paragraphs 322 (2012) and 382 (2013) were considered.**
- 9.7 **Paragraphs 323 (2012), 383 (2013) and 522 (2014) - Fuel supplied to vehicles**
- 9.7.1 In response to the measures instituted to avoid recurrences of fuel being supplied to vehicles not owned by the Region and/or not registered with the Licence Revenue Office, the Accounting Officer stated that a list of vehicles own by the Region was submitted to the Guyana Oil Company (GUYOIL), hence no issuance of fuel would be given outside of the list.
- 9.7.2 The Accounting Officer also apprised Members that fuel slips were signed off by the Regional Executive Officer (REO). In the absence of the REO, the Deputy Regional Executive Officer would sign off the slips.
- 9.8 **Paragraphs 324 (2012), 384 (2013) and 524 (2014) - Stores Accounting Procedures**
- 9.8.1 Responding to queries, the Accounting Officer informed the Committee that the Region did not have the full complement of staff. She stated that a total of five staff was required (two for the Stores and three for the Internal Audit Department). The vacancies for the existing positions were advertised. The Accounting Officer was unable to definitively answer whether persons were short listed.
- 9.8.2 Following discussions, the Accounting Officer agreed to provide a report on the current value of stock in the stores to the Committee within two weeks.

- 9.9 Paragraphs 327 (2012), 385 and 396 (2013), 523 (2014) – Overpayments on contracts**
- 9.9.1 In light of a query, the Accounting Officer informed Members that the two overpaid contractors were not engaged in any other contracts with the Region. However, one contractor was offered another contract which would not be honoured if the outstanding payments are not made.
- 9.9.2 In addition, the Accounting Officer stated that the following measures were put in place to prevent recurrences:
- (i) Increased supervision;
 - (ii) Improved staff in the Public Works Department; and
 - (iii) For large contracts the Clerk of Works would be present for the duration of the project.
- 9.10 Paragraphs 330, 332 and 334 (2012), 386, 388 and 399 (2013) and 527 (2014) were considered.**
- 9.11 Paragraphs 333 and 335 (2012), 387 and 400 (2013) and 528 (2014) - Overpayments on contracts**
- 9.11.1 The Committee was informed that letters were sent to the contractors with a view to recover the overpayments. She further stated that the sum of \$228,061 was recovered. However, the sum of \$1.889M remains outstanding.
- 9.12 Paragraphs 325, 326, 328, 329 and 331 (2012), 392 and 393 (2013) were considered.**
- 9.13 Paragraphs 392 and 393 (2013) were considered.**
- 9.14 Paragraphs 394 and 395 (2013), 525 (2014) were considered.**
- 9.15 Paragraphs 397, 401 to 403 (2013) and 529 (2014) were considered.**

9.16 Paragraphs 390 (2013) and 530 (2014) – Fuel and lubricants

9.16.1 In answer to a query, the Accounting Officer informed Members that the Region had started the process of reconciliation which would be completed within two weeks.

9.17 Paragraph 391 (2013) was considered.

9.18 Paragraph 531 (2014) – Utility records of the Regional Administration

9.18.1 The Committee was informed that a Staff is assigned to update all registers. The Accounting Officer stated that the reconciliation process would be completed within two weeks. Subsequently, a report would be submitted to the Committee on the matter.

9.19 Paragraph 532 (2014) – Stale-dated Cheques

9.19.1 The Accounting Officer indicated that the Region was working to have the outstanding cheque deposited into the Consolidated Fund. Noting the comment made, the Presiding Officer suggested that the relevant documentation be provided to the Committee in this regard.

9.20 Paragraphs 533 and 534 (2014) were considered.

9.21 Paragraphs 535 and 536 (2014) –Overpayment on Contracts (Drainage and Irrigation)

9.21.1 A discussion ensued on rehabilitation works done at the Bamboo Dam, Cane Grove, East Coast Demerara. The Accounting Officer explained that a request for change of scope was made in 2014; however, approval from the National Procurement and Tender Administration Board (NPTAB) was issued in 2016. She further stated that works were completed and verified by the Regional Engineer and arrangements were being made for the Auditors to verify the works.

9.21.2 Members expressed dissatisfaction with the fact that works were done without the approval for the change of scope; further, verification of works were being done two years after.

9.21.3 Thereafter, the Audit Engineer was asked to submit to the Committee within one month, documentation on the verification of the works.

9.22

At 4.12 p.m., the Committee concluded the examination of the above accounts. The Presiding Officer thanked the Accounting Officer and her team for their presence at the meeting.

Adjournment

At 4.15 p.m., the meeting was adjourned to 1.30 p.m. on Monday, 13th June, 2016.

Confirmed this.....day of June, 2016



.....
*Mr. Mohamed Irfaan Ali, M.P.,
Chairman*

**THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF THE ELEVENTH
PARLIAMENT OF GUYANA (2015-2016)**

**MINUTES OF THE
14TH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 1.30 P.M.
ON MONDAY, 13TH JUNE, 2016
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.**

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON (1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P.,
Minister of Social Protection

Hon. Valarie Patterson, M.P.,
Minister within the Ministry of Communities

Mr. Jermaine Figueira, M.P. - Excused

Mr. Charrandas Persaud, M.P.

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P.

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P.

Advisors

The Auditor General - (Mr. Deodat Sharma)
The Finance Secretary - (Dr. Hector Butts)
The Accountant General (Ag) - (Col. Jawahar Persaud)

Officers

Mr. Nickalai Pryce	- Clerk of Committees
Ms. Tracy Armstrong	- Assistant Clerk of Committees
Ms. Candayce Girard	- Assistant Clerk of Committees
Ms. Abiola Bazil	- Research and Analytical Assistant
Ms. Michelle Chung	- Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 1.35 p.m.

ITEM 2: ANNOUNCEMENT

2.1 Welcome

2.1.1 The Chairman welcomed Members, Advisors and Staff to the meeting.

2.2 Excuses

2.2.1 The Committee was informed that Mr. Jermaine Figueira had asked to be excused from the meeting.

2.3 Contract for Audit Services for 2015

2.3.1 The Chairman informed the Committee that he was in receipt of a copy of the contract between the Clerk of the National Assembly and Mr. Chateram Ramdihal, Chartered Accountant, Professional Services Firm for audit services to be performed at the Audit Office of Guyana.

2.4 Public Procurement Commission

2.4.1 The Chairman recommended that the Committee work assiduously towards completing examination of the various Ministries/Departments/Regions with regard to the Auditor General's Report for the years 2012, 2013 and 2014 by the end of the month. This would facilitate the Committee to complete consideration of the Public Procurement Commission by July 2016.

2.5 Work Study Attachment

2.5.1 The Chairman welcomed the work student from Queen's College to the meeting and wished her well in her endeavours.

ITEM 3: CIRCULATION OF DOCUMENTS

3.1 The following documents had been circulated prior to the meeting:-

- (i) Notice of the 14th Meeting dated June 7, 2016;
- (ii) Minutes of the 13th Meeting held on the June 6, 2016;
- (iii) The Audit Office of Guyana Briefing Notes and responses received on the Reports of the Auditor General for the years 2013 and 2014 with respect to the following agencies:
 - The Ministry of Finance; and
 - The Guyana Revenue Authority.
- (iv) Letter dated 3rd June, 2016 from Ms. Delma Nedd, Permanent Secretary, Ministry of Education re: Information requested by the Public Accounts Committee (PAC) – Breakdown of \$225M allocated for UG-Science and Technology Support Project in the 2013 Budget;
- (v) Letter dated 3rd June, 2016 from Mr. Emil Mc Garrell, Permanent Secretary, Ministry of Communities re: Response to request #1 from the Public Accounts Committee meeting on 30th May, 2016 – Linden Town Council; and

- (vi) Copy of letter dated 3rd June, 2016 from Mr. Emil Mc Garrell, Permanent Secretary, Ministry of Communities re: Notice of legal proceedings for failure to repay overpayments for completed works on Plaisance Market Tarmacs, to Mr. Darren Nurse, Chief Executive Officer, Compustruct Engineering Inc.

3.2 The following document was circulated at the meeting;-

- (i) Updated comments and Briefing Notes received on the Report of the Auditor General for the years 2013 and 2014 for Ministry of Finance.

ITEM 4: CORRESPONDENCE

4.1 **Incoming: Nil**

4.2 **Outgoing:**

- (i) Letter dated June 7, 2016 to Dr. Hector Butts, Finance Secretary, Ministry of Finance re: Notice of and Invitation to attend PAC Meeting; and
- (ii) Letter dated June 7, 2016 to Mrs. Ingrid Griffith, Commissioner General (ag), Guyana Revenue Authority re: Notice of and Invitation to attend PAC Meeting.

ITEM 5: CORRECTION AND CONFIRMATION OF THE MINUTES OF THE 13TH MEETING HELD ON THE 6TH JUNE, 2016

5.1 **Corrections**

5.1.1 Substitution of the word "excused" for the word "absent" after the name "Ms. Pauline Campbell-Sukhai" on the first page.

5.2 Thereafter, the Minutes were confirmed, as corrected on a motion moved and seconded by Mr. Dharamlall and the Hon. Volda Lawrence, respectively.

ITEM 6: MATTERS ARISING

6.1 There were no matters arising from the Minutes.

ITEM 7: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/Other	Paragraphs in the Auditor General Report		Accounting Officer
	2013	2014	
Ministry of Finance	10 – 72 (62)	11 – 74 (63)	Dr. Hector Butts
Programme 1 – Ministry Administration	86 – 96 (11)	107 – 117 (11)	
Programme 2 – Accountant General	97 – 109 (13)	118 – 132 (15)	

7.1 At 1.48 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Ministry of Finance together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

7.1.1 Officers present for the examination were:

- (i) Dr. Hector Butts - Finance Secretary
- (ii) Col. Jawahar Persaud - Accountant General
- (iii) Ms. Louise Bouyea - Deputy Permanent Secretary
- (iv) Mr. Donald De Clou - Chief Executive Officer (NPTAB)
- (v) Mr. Julian Barrington - Chief Valuation Officer

Ministry of Finance:

7.2 Paragraphs 1 to 9 (2013) and 1 to 10 (2014) were considered.

- 7.3 Paragraphs 10 (2013) and 11 (2014) – End of year Budget and Reconciliation Report**
- 7.3.1 In answer to a query, the Accountant General stated that the variances shown were as a result of the non-submission of information and or supporting documents to facilitate the preparation of Financial Statements. However, the issue had been corrected and responses were now submitted in a timely manner.
- 7.4 Paragraphs 11 (2013) and 12 (2014) – REDD Investment Fund**
- 7.4.1 In responding to a query with regard to the current status of the aforementioned fund, the Finance Secretary undertook to submit the information to the Committee the following day.
- 7.5 Paragraphs 12 (2013) and 13 (2014) – One Laptop Per Family (OLPF) Project**
- 7.5.1 Following queries, the Finance Secretary stated that in an effort to correct the issue and avoid recurrences, the Ministry had embarked on the following:
- (i) Early Budget preparation;
 - (ii) Immediately after the budget, agencies were called and advised on the preparations for spending; and
 - (iii) Bi-monthly meetings are held with the various agencies in relation to issues regarding expenditure.
- 7.5.2 Subsequent to the discussion which ensued, the Committee was informed that the Ministry had implemented policies to increase efficiency.
- 7.6 Paragraphs 13 and 14 (2013) and 14 and 15 (2014) were considered.**
- 7.7 Paragraphs 16 to 17 (2013) and (2014) – Foreign funded portfolio of Projects**
- 7.7.1 The Finance Secretary concurred with the Chairman that there were a number of complications when dealing with Foreign Funded Projects. He, however, affirmed that efforts were being made to strengthen the relationship with foreign agencies to move the country in a positive direction.
- 7.8 Paragraphs 18 to 19 (2013) and 18 to 20 (2014) were considered.**

- 7.9 Paragraphs 20 (2013) and 21 (2014) – “Statement of Excess” for current and capital expenditure**
- 7.9.1 Questioned whether there were improvements with regard to the variance between current revenue and expenditure, Mrs. Ingrid Griffith, Commissioner General (ag), Guyana Revenue Authority indicated that the current revenue collected had surpassed the projected amount.
- 7.9.2 Noting the comment made by the Commissioner General (ag), the Finance Secretary informed Members that there were some difficulties regarding capital expenditure, notwithstanding that, he envisaged improvements in the variance by the end of the year.
- 7.10 Paragraphs 21 to 23 (2013) were considered.**
- 7.11 Paragraphs 24 to 28 (2013) and 22 to 26 (2014) – Receipts and payments of the Consolidated Fund**
- 7.11.1 In light of a query raised by a Member, the Accountant General indicated that all bank accounts listed were closed with the exception of the following active accounts:
(i) Account No. 201450 – Japanese – Non Project Grant Aid
(ii) Account No. 201340 – CARICOM Headquarters Building Project
(iii) Account No. 200880 – Accountant General
- 7.11.2 Subsequent to further queries, the Finance Secretary agreed to submit to the Committee within one week a status report on the current balances of the active accounts.
- 7.12 Paragraphs 29 and 30 (2013), 27 and 28 (2014) - Un-reconciled old Consolidated Fund Bank Account No.400**
- 7.12.1 Based on a query regarding the status of the reconciliation of the old Consolidated Fund Account No.400, the Accountant General stated that it was observed that proper records were not kept to facilitate an effective reconciliation process. Notwithstanding this, the Ministry had been in communication with the Governor, Bank of Guyana in an effort to acquire reports on the account for the period 1992 – 2003. Given that the requested information had been submitted to the Ministry, the reconciliation process should be completed by the end of August 2016.

- 7.12.2 Subsequently, the Accountant General was requested to provide the Committee with a report in this regard by September 2016.
- 7.13 Paragraphs 31 (2013) and 29 (2014) – Gifts to Ministries/Departments/Regions**
- 7.13.1 In response to a query, the Finance Secretary agreed that with regard to agencies which fail to follow procedures in giving account for gifts received, the following measures would be instituted:
- (i) Re-issuing of circular outlining procedures to be followed; and
 - (ii) Re-enforcing penalties (withholding of imprest).
- 7.13.2 The Accountant General, in responding to further queries, indicated that the Asset Register with regard to buildings owned by Ministries/Department/Regions had been updated. In addition, meetings were held with the Permanent Secretaries in an effort to commence the inventory process in that regard.
- 7.13.3 A discussion ensued on the new modules to be implemented in Integrated Financial Management System (IFMAS), thereafter; the Finance Secretary was requested to submit a comprehensive report to the Committee on the acquisition and implementation of the new modules.
- 7.13.4 The Accountant General informed the Committee that training on the operation of the new modules would commence on June 27, 2016 and conclude in September 2016.
- 7.14 Paragraphs 32 to 34 (2013), 31 to 33 (2014) were considered.**
- 7.15 Paragraph 34 (2014) – Supplementary Paper No.4/2014**
- 7.15.1 The Finance Secretary in response to a query informed the Committee that the abovementioned Supplementary Paper had been passed on December 30, 2015 in the National Assembly as Financial Papers No.1 and 2 of 2015.
- 7.16 Paragraphs 35 to 40 (2013) and (2014) were considered.**
- 7.17 Paragraphs 41 to 63 (2013) and 41 to 44 (2014) were considered.**

7.20 Paragraphs 64 (2013) and 45 (2014) – Investments on behalf of the Sugar Industry Labour Welfare Fund, the Sugar Industry Rehabilitation Fund and the Sugar Industry Price Stabilisation Fund

7.20.1 A Member enquired whether the aforementioned entities were recently audited and whether there were verifications on the accuracy of monies in the Sugar Industry Labour Welfare Fund.

7.20.2 In response, the Accountant General stated that the Financial Statement of the Sugar Industry Labour Welfare Fund was last audited in 2012; hence, the balances would have been reconciled and signed off. In addition, prior to the meeting, Financial Statements for the years 2013 to 2015 were signed off and would be submitted to the Auditor General.

7.20.3 Subsequent to a discussion, a Member expressed concern that even though reconciliations were done, the Auditor General's comments highlighted that auditors were unable to verify the accuracy of the balances of the accounts.

7.20.4 Thereafter, the Chairman suggested that the Accountant General and the Auditor General meet and have the matter concluded.

7.21 Paragraphs 65 to 72 (2013) and 46 to 74 (2014) were considered.

Programme 1 – Ministry Administration:

7.22 Paragraphs 86 (2013) and 107 (2014) – Statements of Receipts and Disbursements

7.22.1 The Finance Secretary undertook to provide the Committee with a status report on the aforementioned paragraph.

7.23 Paragraphs 87 and 88 (2013), 108 and 109 (2014) were considered.

7.24 Paragraphs 89 (2013) and 110 (2014) – Variances in Statement of Receipts and Disbursements and Statement of Public Debt

7.24.1 Questioned whether the source of the problem was identified and whether variances were reconciled, the Accountant General stated that the Ministry had recognised a timing difference and was currently working expeditiously to rectify the issue.

- 7.25 **Paragraph 111(2014) was considered.**
- 7.26 **Paragraphs 90 to 93 (2013) and 112 to 114 (2014) – Audit of Accounts of the Guyana Lotteries Commission**
- 7.26.1 Based on concerns raised by a Member with regard to the sum of \$69M recorded in the 2014 Statement of Receipts and Disbursements as estimated Lottery Receipts and no monies had been showed as being collected, the Finance Secretary requested two weeks to submit a report on the issue.
- 7.27 **Paragraph 94 (2013) was considered.**
- 7.28 **Paragraphs 95 (2013) and 115 (2014) were considered.**
- 7.29 **Paragraphs 96 (2013) and 116 (2014) – National Industrial and Commercial Investments Limited (NICIL) Consolidated Financial Statements**
- 7.29.1 In responding to a query with regard to audits for the Guyana World Cup Inc., the Auditor General indicated that Interim Audits for the year 2006 were completed and the report was currently with the NICIL Board to be finalised. He also stated that as soon as the report was received, audits for 2007 to 2015 would commence.
- 7.29.2 Noting the response by the Auditor General, the Chairman recommended that the Finance Secretary should follow-up with NICIL's Board to have the statements finalised and submitted.
- 7.29.3 Consequent to the discussion, the Finance Secretary was requested to provide a status report to the Committee on all outstanding audits.
- 7.30 **Paragraph 117 (2014) was considered.**

Programme 2 – Accountant General:

7.31 Paragraphs 97 (2013) and 118 (2014) – Conference Advances

7.31.1 A Member noting the reduction in the amount of outstanding Conference Advances as at 15th September, 2015, enquired about the current position of the advances.

7.31.2 In response, the Accountant General indicated that the Ministry was currently guided by a Cabinet document which outlined ways to eliminate certain levels of expenditure. He further stated that he was working closely with the Auditor General in reducing prior year advances.

7.32 Paragraphs 99 (2013) and 119 (2014) were considered.

7.33 Paragraphs 98 (2013) and 120 (2014) – Loss of cash amounting to \$206.379M at the Accountant General’s Department Head Office

7.33.1 In light of an enquiry, the Accountant General informed Members that the matter was still engaging the attention of the court.

7.34 Paragraphs 100 (2013) and 121 to 123 (2014) – Integrated Financial Management and Accounting System (IFMAS)

7.34.1 In responding to whether the Ministry was satisfied with the capability of IFMAS, the Accountant General responded in the affirmative. He stated that the Ministry was currently in the process of upgrading the software version from 6.5 to 7 in freebalance which should aid in better reporting. Further, two additional modules would be activated shortly to better facilitate accounting of government assets.

7.35 Paragraphs 101 to 105 (2013) and 124 to 128 (2014) were considered.

7.36 Paragraphs 106 (2013) and 129 (2014) – Public Procurement Commission

7.36.1 The Chairman indicated that the Committee was working assiduously to have the process completed by July 2016.

7.37 Paragraphs 107 to 109 (2013) and 130 to 132 (2014) - Procurement Contracts

7.37.1 In answer to a query, Mr. Donald Declou, CEO, NPTAB informed the Committee that the standard bidding documents were still being used. However, in some remote Regions, it had been discovered that there were instances of non-compliance with procurement regulations. He further stated that in an effort to resolve the issue, visits were now being done in those areas.

7.37.2 Thereafter, the Chairman suggested that the Auditor General examine the issue and wherever there were instances of non-compliance, sanctions should be instituted.

7.37.3 A lengthy discussion ensued with regard to the legislative support as it relates to the issue of blacklisting of contractors. The CEO, NPTAB informed the Committee that a draft regulation prepared by a Consultant outlining the criteria for blacklisting had been sent to the Attorney General for consideration.

7.38 At 3.25 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Finance Secretary and his team for their presence at the meeting.

ITEM 8: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department/ Other	Paragraphs in the Auditor General Report		Accounting Officer
	2013	2014	
Guyana Revenue Authority:			
Customs & Trade Administration	110 – 121 (12)	133 – 150 (18)	Mrs. Ingrid Griffith
Internal Revenue	122 – 131 (11)	151 – 186 (36)	

8.1 At 3.28 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to the Guyana Revenue Authority together with the comments submitted by the Accounting Officer for the years 2013 and 2014.

8.1.1 Officers present for the examination were:

- (i) Mrs. Ingrid Griffith - Commissioner General (ag)
- (ii) Ms. Karen Chapman - Deputy Commissioner, Law Enforcement Division
- (iii) Ms. Deanah Matthias - Deputy Commissioner, Tax Compliance & Enforcement
- (iv) Mr. Ron Simboo - Deputy Commissioner, Debt Management
- (v) Ms. Hema Khan - Deputy Commissioner, Tax Operations & Services
- (vi) Ms. Simone Beckles - Senior Manager, Customs Excise & Trade Division
- (vii) Mr. Patrick Hyman - Deputy Head, Customs
- (viii) Ms. Hissaun Nandlall - Deputy Commissioner, Legal Services Division
- (ix) Mr. Reishad Khan - Manager, Internal Audit Division
- (x) Ms. Sherel Isaacs - Senior Manager (ag), Finance Manager

Customs & Trade Administration:

8.2 Paragraphs 110 (2013) and 133 (2014) were considered.

8.3 Paragraphs 111 (2013) and 134 (2014) were considered.

8.4 Paragraphs 112 and 113 (2013), 135 and 136 (2014) – Outstanding ship files

8.4.1 The Committee was informed that the Auditor General had issued a no objection for the Commissioner General to write off the files that were not presented for audits.

8.5 Paragraphs 114 and 115 (2013) and 137 to 139 (2014) – Warehousing of vehicles and equipment

8.5.1 Noting concerns raised by a Member, the Commissioner General (ag) informed the Committee that the agency was currently engaging valuers

to value the remaining pieces of vehicles and equipment at the various warehouses before sale or disposal.

- 8.5.2 In addition, Mrs. Hissaun Nandlall, Deputy Commissioner, Legal Services Division, highlighted some of the challenges encountered in addressing the issue and stated that all legal options were explored but proved futile. She, however, stated that in an effort to prevent a recurrence of such issues, a Standard Operating Procedures (SOPs) could be drafted.
- 8.5.3 Following the lengthy discussion which ensued, enquiries were made with regard to the checks and balances implemented to reduce discrepancies in the system. The Commissioner General (ag) explained that the Guyana Revenue Authority was currently encouraging individuals/companies to increase their bonds and confirmed that this gesture had been successful. She also stated that a policy document highlighting the recommendations of the Committee would be drafted within two weeks and sent to the board for consideration. Further, Members were informed that this matter would engage the Finance Secretary.
- 8.5.4 Thereafter, the Commissioner General (ag) was requested to provide the Committee, within three weeks, a copy of the draft SOP and a list of the penalties levied against officers who were in breach of their responsibilities.
- 8.6 **Paragraphs 116 and 117 (2013), 140 and 141 (2014) were considered.**
- 8.7 **Paragraphs 118 (2013), 142 and 143 (2014) - Tax exemptions granted to re-migrants**
- 8.7.1 Salient views were expressed with regard to the issue of tax exemptions granted to re-migrants. Thereafter, the Chairman recommended that the Commissioner General (ag) submit to the Committee and the Auditor General a report on the actions that would be taken to resolve the issue.
- 8.8 **Paragraphs 144 to 146 (2014) were considered.**
- 8.9 **Paragraphs 119 and 120 (2013), 148 to 149 (2014) were considered.**

8.10 Paragraphs 121 (2013), 147 and 150 (2014) – Value-Added Tax (VAT) Refunds and Returns

8.10.1 Ms. Hema Khan, Deputy Commissioner, Tax Operations & Services, informed the Committee that there was a backlog in 2015, however, the agency was currently working to expedite the process.

8.11 General Comments

8.11.1 The Chairman and a Member expressed similar sentiments and congratulated the Commissioner General (ag) for the quality of responses received in the examination of the Auditor General's Report.

Internal Revenue:

8.12 Paragraphs 122 to 128 (2013) and 151 to 156 (2014) were considered.

8.13 Paragraph 157 (2014) - Tax assessment

8.13.1 A Member enquired about the measures put in place to address the issue of the missing files with regard to taxpayers who objected to the taxes assessed.

8.13.2 Ms. Hema Khan, Deputy Commissioner, Tax Operations & Services explained that the GRA had encountered difficulties in locating the files. However, in an effort to resolve the issue, taxpayers were asked to submit proof to substantiate their claims.

8.14 Paragraphs 158 (2014) - Listings of revenue collection by tax types generated by the Total Revenue Integrated Processing System (TRIPS)

8.14.1 Queries were made with regard to the variances in the number of transactions and amounts collected.

8.14.2 The Committee was informed that no variances were shown in the reconciliation done between GRA and the Ministry of Finance. As a result, a report had been sent to the Auditor General for verification.

8.14.3 Subsequently, Members agreed that a meeting should be held with GRA and the Auditor General's Office to bring closure to the issue.

8.15 Paragraph 159 (2014) – Inward and Outward Aircraft Register

8.15.1 Consequent to a discussion, the Committee was informed of the following:

- (i) The current fleet of airlines operating in Guyana were in compliance with travel regulations;
- (ii) Efforts proved futile to recoup outstanding penalties dating back to 2012 from two airlines (EZJet and REDJet) that were no longer in operation; and
- (iii) GRA was currently making provisions for legislation to be put in place to facilitate unpaid amounts by the airlines.

8.15.2 Thereafter, the Committee requested a report on the airlines operating in and out of Guyana and payments made.

8.16 Paragraphs 129 to 132 (2013) and 160 to 171 (2014) were considered.

8.17 Paragraph 172 – Delinquent taxpayers

8.17.1 Based on a query, the Committee was informed that the Total Revenue Integrated Processing System (TRIPS) was still not accurate. However, in an effort to have more accurate balances, GRA was currently in the process of upgrading the current system which should be completed by the end of the month.

8.18 Paragraph 176 (2014) – Confirmation Statements from Commercial Banks

8.18.1 The Committee was informed that letters had been sent to the four commercial banks requesting the submission of confirmation statements to the Audit Office. The Auditor General indicated that he was awaiting the statements in an effort to confirm the balances.

8.19 Paragraph 177 (2014) – Amounts totalling \$54.952B paid into the Consolidated Fund

8.19.1 A Member noted the unexplained difference of \$1.914B between the amounts paid into the Consolidated Fund and that reflected on the Statement of Receipts and Disbursements, and enquired whether an investigation was done.

8.19.2 The Auditor General informed Members that he was currently examining documents submitted by GRA and undertook to provide a report to the Committee within a week on the matter.

8.20 **Paragraph 178 (2014) – Variance totalling \$2.058M between Rough Cash Book balance and Cash Composition balance**

8.20.1 The Committee was informed that the variance shown was as a result of the rough cash books balances being used at the time of the audits rather than the bank reconciliation. Subsequently, the matter was resolved.

8.21 **Paragraphs 179 to 186 (2014) were considered.**

8.22 At 5.00 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Commissioner General (ag) and her team for their presence at the meeting.

ITEM 9: ANY OTHER BUSINESS

9.1 **Comments received from Region No. 7- Cuyuni/Mazaruni**

9.1.1 Noting that the Region had two paragraphs for the years 2013/2014 with regard to the Auditor General's Report for consideration by the Committee, Members agreed that at the next meeting it would decide whether the comments by the Region should be submitted in writing or whether the Accounting Officer should appear before the Committee.

Adjournment

At 5.05 p.m., the meeting was adjourned to 1.30 p.m. on Monday, 20th June, 2016.

Confirmed this 20th day of June, 2016


.....
Mr. Mohamed Irfaan Ali, M.P.,
Chairman

THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF THE ELEVENTH
PARLIAMENT OF GUYANA (2015-2016)

MINUTES OF THE
15TH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 2.00 P.M.
ON MONDAY, 20TH JUNE, 2016
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON (1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P.,
Minister of Social Protection

Hon. Valarie Patterson, M.P.,
Minister within the Ministry of Communities - Excused

Mr. Jermaine Figueira, M.P.

Mr. Charrandas Persaud, M.P. - Excused

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P. - Excused

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P. - Excused

Advisors

The Auditor General - (Mr. Deodat Sharma)
The Finance Secretary - (Dr. Hector Butts)
The Accountant General (Ag) - (Col. Jawahar Persaud)

Officers

Mr. Nickalai Pryce	- Clerk of Committees
Ms. Tracy Armstrong	- Assistant Clerk of Committees
Ms. Candayce Girard	- Assistant Clerk of Committees
Ms. Abiola Bazil	- Research and Analytical Assistant
Ms. Michelle Chung	- Research and Analytical Assistant

ITEM 1: CALL TO ORDER

- 1.1 Bishop Edghill, M.P., the Presiding Member called the meeting to order at 2.00 p.m.

ITEM 2: ANNOUNCEMENT

2.1 Welcome

- 2.1.1 The Presiding Officer welcomed Members, Advisors and Staff to the meeting. He indicated that the Chairman would be late and as a result, asked that the Committee commence its work.

2.2 Excuses

- 2.2.1 The Committee was informed that the following persons have asked to be excused from the meeting:

- (i) Hon. Valarie Patterson, M.P.,
- (ii) Mr. Charrandas Persaud, M.P.,
- (iii) Ms. Pauline Campbell-Sukhai, M.P., and
- (iv) Mr. Nigel Dharamlall, M.P.

ITEM 3:

CIRCULATION OF DOCUMENTS

3.1

The following documents had been circulated prior to the meeting:-

- (i) Notice of the 15th Meeting dated June 14, 2016;
- (ii) Minutes of the 14th Meeting held on the June 13, 2016;
- (iii) The Audit Office of Guyana Briefing Notes and responses received on the Reports of the Auditor General for the years 2012, 2013 and 2014 with respect to the following Regions:
 - Region No.1- Barima Waini
 - Region No.5- Mahaica/Berbice
 - Region No.6- East Berbice/ Corentyne
- (iv) Letter dated 9th June, 2016 from Mr. Emil Mc Garrell, Permanent Secretary, Ministry of Communities re: Response to request #3 from the Public Accounts Committee on the 30th May, 2016 - Overpayment to Compustruct Engineering Inc. on contract dated 30th December, 2010;
- (v) Letter dated 9th June, 2016 from Mr. Emil Mc Garrell, Permanent Secretary, Ministry of Communities re: Responses to request #4 from the Public Accounts Committee meeting on the 30th May, 2016 - Completion of three (3) projects for which overpayments totalled \$1,600,190; and
- (vi) Letter dated 14th June, 2016 from Mr. Emil Mc Garrell, Permanent Secretary, Ministry of Communities re: Notice of Legal Proceedings for the failure to repay overpayments for completed works on Plaisance Market Tarmacs.

3.2

The following documents were circulated at the meeting:-

- (i) Letter dated 17th June, 2016 from Mr. Emil Mc Garrell, Permanent Secretary, Ministries of Communities re: Construction of Market Tarmac at Plaisance, East Coast Demerara, Region No.4: Overpayment to contractor;
- (ii) Letter dated 20th June, 2016 from Mr. Deodat Sharma, Auditor General re: responses to paragraph 8.19.1 of the Minutes of the 14th Meeting held on 13th June, 2016;

(iii) Submission received from the Accountant General with regard to the following:

- Guyana REDD Investment Fund (GRIF); and
- Current balances of bank accounts#200880, 201340 and 201450.

ITEM 4: CORRESPONDENCE

4.1 Incoming: Nil

4.2 Outgoing:

- (i) Letter dated June 14, 2016 to Mr. Lesley Wilbert, Regional Executive Officer, Region No. 1- Barima Waini re: Notice of and Invitation to attend PAC Meeting;
- (ii) Letter dated June 14, 2016 to Mr. Roderick Edinboro, Regional Executive Officer, Region No. 5- Mahaica/Berbice re: Notice of and Invitation to attend PAC Meeting; and
- (iii) Letter dated June 14, 2016 to Mr. Veerasammy Ramayya, Regional Executive Officer, Region No. 6- East Berbice/Corentyne re: Notice of and Invitation to attend PAC Meeting; and

ITEM 5: CORRECTION AND CONFIRMATION OF THE MINUTES OF 14TH MEETING HELD ON 20TH JUNE, 2016

5.1 Corrections

5.1.1 Page 156, paragraph 7.13.2 - Gifts to Ministries/Departments/Regions

- Reword paragraph to read *“The Accountant General, in responding to further queries, indicated that the Sectional and Master Inventories of the Ministries/Department/Regions were being updated. In addition, meetings were held with the Permanent Secretaries in an effort to commence compilation”*.

5.2 Thereafter, the Minutes were confirmed, as corrected on a motion moved and seconded by Mr. Rutherford and Hon. Volda Lawrence, respectively.

ITEM 6: MATTERS ARISING

6.1 Page 154, paragraph 7.4.1 – REDD Investment Fund

6.1.1 The Accountant General informed the Committee that the information regarding the aforementioned paragraph was submitted.

6.2 Page 155, paragraph 7.11.1 – Receipts and payments of the Consolidated Fund

6.2.1 The Accountant General informed the Committee that a statement on the status of the bank accounts balances was circulated at the meeting.

6.3 Page 157, paragraph 7.22.1 – Statements of Receipts and Disbursements

6.3.1 The Accountant General informed Members that the sum of \$69M was transferred to the Consolidated Fund.

6.4 Page 164, paragraph 8.19.1 – Amounts totalling \$54.952B paid into the Consolidated Fund

6.4.1 The Auditor General stated that a document had been circulated to Members that explained the difference of \$1.914B.

ITEM 7: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 1- Barima Waini	281-303 (23)	346-366 (21)	481-498 (18)	Mr. Leslie Wilburg

7.1 At 2.15p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No.1- Barima Waini together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

7.1.1 Officers present for the examination were:

- (i) Mr. Leslie Wilburg - Regional Executive Officer
- (ii) Mr. Emil Mc Garrell - Permanent Secretary, Ministry of Communities
- (iii) Mr. Edmundo Inniss - Accountant (ag)
- (iv) Mr. Yogeshwar Narain - Civil Engineer

7.2 Paragraphs 281 (2012), 346 (2013) and 487 (2014) – Clearing of cheque orders

7.2.1 In answer to a query, the Accounting Officer stated that the total outstanding cheque orders had been reduced to 625. However, the Regional Administration was working assiduously to have the remaining cheque orders cleared. In addition, officers were reminded of the stipulated time-frame of sixteen days for the clearances of cheque orders.

7.2.2 Based on the comments made by the Accounting Officer, the Accountant General explained that a fraud was discovered at the Sub-Treasury department. He further stated that charges were instituted against two officers; however, the matter had been subsequently dismissed due to the lack of evidence. Notwithstanding that, in an effort to resolve the issue, he was currently working with the Regional Administration in conjunction with the Auditor General to have the vouchers reconstructed.

7.2.3 Further queries were made with regard to the mechanisms that could be put in place to prevent recurrences. The Accountant General indicated that Ministries/Department/Regions are restricted to three cheque orders per line item and would be issued new cheque orders once the previous ones were cleared.

7.2.4 Consequent to the discussion, the Presiding Officer suggested that the Accounting Officer submit to the Committee within a week, a report on the following:

- (i) The number of cheque orders cleared and the value; and
- (ii) The number of outstanding cheque orders and the value.

- 7.3 **Paragraphs 282 and 283 (2012), 347 (2013), 482 (2014) were considered.**
- 7.4 At this point Mr. Mohamed Irfaan Ali, M.P., assumed Chairmanship of the meeting. He apologised for his lateness and thanked Bishop Edghill, for presiding in his absence.
- 7.5 **Paragraphs 284 (2012), 348 (2013) and 481 (2014) – Overpayment to contractors totalling \$467,000.**
- 7.5.1 The Accounting Officer, in response to a query, stated that a letter had been sent to the contractor informing him of the overpayment and requesting a repayment. However, the Regional Administration was still awaiting a response from the contractor. He also stated that in an effort to prevent recurrences, additional staff had been recruited to monitor projects from commencement to completion.
- 7.5.2 The Auditor General, in answer to a query, informed Members that the name of the contractor was Mr. Rabindra Samaroo. In addition, checks were made to ascertain whether the contractor was still engaged in other contracts. He stated that this had proved futile.
- 7.5.3 A Member suggested that letters should be sent to all Regional Executive Officers informing them of defaulting contractors in an effort to prevent them from further engaging in contracts in other Regions.
- 7.5.4 Thereafter, the Chairman suggested that a copy of the letter which was sent to the contractor be submitted to the Committee.
- 7.6 **Paragraphs 483 and 484 (2014) – Historical records kept for vehicle/equipment**
- 7.6.1 A Member enquired whether the Regional Administration was in compliance with the Stores Regulation, Order No.6 of 1993. The Accounting Officer responded in the negative.
- 7.7 **Paragraphs 285 (2012), 349 (2013) and 485 (2014) – Electricity meters**
- 7.7.1 A Member enquired about the following:
- (i) How many meters were currently at the Prime Minister's Office?

- (ii) How many meters were checked?
- (iii) From the number of meters checked, how many were damaged?
- (iv) From the number of meters checked that was in order, how many were received by the Region?

7.7.2 Members were dissatisfied with the responses proffered by the Accounting Officer, and agreed that the Region should re-appear before the Committee on Monday June 27, 2016.

7.7.3 At 3.00 p.m., the Committee terminated the examination of the above accounts.

ITEM 8:

EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 5 Mahaica/Berbice	336 -345 (10)	404- 412 (17)	537-548 (12)	Mr. Roderick Edinboro

8.1 At 3.02 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No. 5 - Mahaica/Berbice together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

8.1.1 Officers present for the examination were:

- (i) Mr. Roderick Edinboro - Regional Executive Officer
- (ii) Mr. Emil Mc Garrell - Permanent Secretary, Ministry of Communities
- (iii) Mr. Govind Singh - Deputy Regional Executive Officer
- (iv) Mr. Dhanpall Sukha - Regional Engineer
- (v) Mr. Amrit Brihnandan - Chief Accountant

8.2 Paragraphs 336 and 337 (2012), 404, 405 and 407 (2013) and 537 (2014) – Overpayment of salaries and deductions

8.2.1 The Accounting Officer was unable to provide the requisite information on the aforementioned paragraphs. He requested additional time to submit the information to the Committee.

8.2.2 Thereafter, the Chairman suggested that the information be submitted to the Committee within three days.

8.3 Paragraphs 338 to 341 (2012), 406, 408 to 410 (2013) and 538 (2014) – Overpayments to contractors

8.3.1 In responding to a query, the Accounting Officer informed Members that letters were sent to the contractor, but to date no response had been received.

8.3.2 Thereafter, Members expressed dissatisfaction with the responses received from the Accounting Officer and agreed that the Region should re-appear before the Committee on Monday June 27, 2016.

8.3.3 At 3.20 p.m., the Committee terminated the examination of the above accounts.

ITEM 9:

EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 6 - East Berbice/Corentyne	346-357 (12)	413-430 (17)	550-563 (14)	Mr. Veerasammy Ramayya

9.1 At 3.22 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No. 6 - East Berbice/Corentyne together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

9.1.1 Officers present for the examination were:

- | | |
|-----------------------------|--|
| (i) Mr. Veerasammy Ramayya | - Regional Executive Officer |
| (ii) Mr. Emil Mc Garrell | - Permanent Secretary, Ministry of Communities |
| (iii) Mr. Bhadase Poonai | - Deputy Regional Executive Officer |
| (iv) Mr. Roopesh Persaud | - Regional Engineer |
| (v) Mr. Volika Kaikishaun | - Regional Education Officer |
| (vi) Mr. Winston Millington | - Field Auditor |
| (vii) Ms. Simone John | - Accountant |

9.2 **Paragraphs 346 (2012), 413 and 418 (2013), 550 and 551(2014) – Overpayment of salaries and deductions**

9.2.1 Responding to queries made, the Accounting Officer explained that in an effort to recover the overpayments, the Region had engaged the Guyana Elections Commission (GECOM) to ascertain the addresses of the persons who were overpaid. However, this effort had proved futile. Additionally, the Region had since instituted following measures:

- (i) Notices were placed in the newspapers; and
- (ii) Visits were done to the various communities with a view to ascertain whether persons still resided there, had migrated or were deceased.

9.2.2 Following the discussion which ensued, the Chairman recommended that the Permanent Secretary engage the Region in an effort to resolve the issue.

9.3 **Paragraphs 347 (2012), 414 (2013) and 552 (2014) - Fuel and lubricants**

9.3.1 The Committee had been informed that the matter was currently engaging the attention of the Police. In an effort to avoid recurrences, fuel ledgers were currently being maintained with periodic checks being done.

9.3.2 Subsequently, the Chairman suggested that the Permanent Secretary engage the Minister on the issue.

9.4 Paragraphs 348 and 349 (2012), 415 and 419 (2013), 554 and 555 (2014) – Clearance of cheque orders

9.4.1 A Member enquired about the total number and value of outstanding cheque orders and the measures that were put in place to have the outstanding amount reduced.

9.4.2 The Accounting Officer proffered an explanation with regard to the aforementioned paragraph. However, Members were dissatisfied with the responses provided and agreed that the Region should reappear before the Committee on Monday June 27, 2016.

9.3.3 At 3.53 p.m., the Committee terminated the examination of the above accounts.

ITEM 10: ANY OTHER BUSINESS

10.1 Comments received from Region No. 7- Cuyuni/Mazaruni

10.1.1 Noting that there were two paragraphs (prior year issues) to be considered for the Region, Members agreed that it would not request the Accounting Officer to appear before the Committee. However, the Finance Secretary should update the Committee on the way forward to have the issues resolved.

10.2 Articles published in the print media

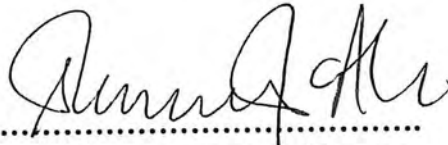
10.2.1 The Chairman informed Members that several articles had been published in the print media criticising the work of the Committee. He encouraged Members not to be concerned by the articles, since he was of the view that the output of the Committee would answer all the questions.

10.2.2 A Member suggested that in an effort to educate the general public on the mandate of the Public Accounts Committee, the Parliament Office could publish an article in that regard. Thereafter, Members agreed.

Adjournment

At 4.05 p.m., the meeting was adjourned to 1.30 p.m. on Monday, 27th June, 2016.

Confirmed this 29th day of July, 2016



.....
*Mr. Mohamed Irfaan Ali, M.P.,
Chairman*

THE NATIONAL ASSEMBLY OF THE FIRST SESSION OF THE ELEVENTH
PARLIAMENT OF GUYANA (2015-2016)

MINUTES OF THE
16TH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE
HELD AT 1.30 P.M.
ON MONDAY, 27TH JUNE, 2016
IN THE PARLIAMENT CHAMBER,
PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN.

MEMBERS OF THE COMMITTEE (9)

CHAIRPERSON (1)

Mr. Mohamed Irfaan Ali, M.P.

Other Members

From A Partnership For National Unity/Alliance For Change (APNU/AFC) (5)

(Nominated by the Committee of Selection on 4th September, 2015)

Hon. Volda A. Lawrence, M.P.,
Minister of Social Protection

Hon. Valarie Patterson, M.P., - Excused
Minister within the Ministry of Communities

Mr. Jermaine Figueira, M.P.

Mr. Charrandas Persaud, M.P.

Mr. Audwin Rutherford, M.P.

From the People's Progressive Party (PPP) (3)

(Nominated by the Committee of Selection on 4th September, 2015)

Ms. Pauline Campbell-Sukhai, M.P.

Bishop Juan A. Edghill, M.S., J.P., M.P.

Mr. Nigel D. Dharamlall, M.P. - Excused

Advisors

The Auditor General - (Mr. Deodat Sharma)
The Finance Secretary - (Dr. Hector Butts)
The Accountant General (Ag) - (Col. Jawahar Persaud)

Officers

Mr. Nickalai Pryce	- Clerk of Committees
Ms. Tracy Armstrong	- Assistant Clerk of Committees
Ms. Candayce Girard	- Assistant Clerk of Committees
Ms. Abiola Bazil	- Research and Analytical Assistant
Ms. Michelle Chung	- Research and Analytical Assistant

ITEM 1: CALL TO ORDER

1.1 The Chairman called the meeting to order at 1.45 p.m.

ITEM 2: ANNOUNCEMENT

2.1 Welcome

2.1.1 The Chairman welcomed Members, Advisors and Staff to the meeting.

2.2 Excuses

2.2.1 The Committee was informed that the Hon. Valarie Patterson and Mr. Dharamlall have asked to be excused from the meeting.

ITEM 3: CIRCULATION OF DOCUMENTS

3.1 The following documents had been circulated prior to the meeting:-

- (i) Notice of the 16th Meeting dated June 20, 2016;
- (ii) Minutes of the 15th Meeting held on the June 20, 2016;

- (iii) Updated response to the Auditor General's Report for the year 2014 from Region No. 6 – East Berbice/Corentyne;
- (iv) The Audit Office of Guyana Briefing Notes and responses received on the Reports of the Auditor General for the years 2012, 2013 and 2014 with respect to the following Regions:
 - Region No. 8 - Potaro/Siparuni
 - Region No. 9 - Upper Takatu/Upper Essequibo
 - Region No. 10 - Upper Demerara/Upper Berbice
- (v) Copies of all incoming correspondence.

ITEM 4:

CORRESPONDENCE

4.1

Incoming:

- (i) Letter dated 9th June, 2016 from Mr. Emil Mc Garrell, Permanent Secretary, Ministry of Communities re: Response to request #2 from the Public Accounts Committee on the 30th May, 2016- Solid Waste Disposable Programme (1st fortnightly update);
- (ii) Letter dated 20th June, 2016 from Ms. Bernadette George, Secretary General, Caribbean Organisation of Supreme Audit Institutions (CAROSAI) re: Invitation for Members and Advisors of the Public Accounts Committee (PAC) to attend Regional Workshop on Strengthening country systems for better investment results – July 13 to 15, 2016;
- (iii) Letter dated 22nd June, 2016 from Mr. Alfred King, Permanent Secretary, Ministry of Education re: Updates on Audit Report for the year 2014; and
- (iv) Letter dated 24th June, 2016 from Mr. Roderick Edinboro, Regional Executive Officer, Region No.5 – Mahaica/Berbice re: Response to question raised during the examination of the Auditor General's Reports for the years 2012 to 2014.

4.2

Outgoing:

- (i) Letter dated June 21, 2016 to Mr. Leslie Wilburg, Regional Executive Officer, Region No. 1 - Barima/Waini re: Notice of and Invitation to attend PAC Meeting;
- (ii) Letter dated June 21, 2016 to Mr. Roderick Edinboro, Regional Executive Officer, Region No. 5 – Mahaica/Berbice: Notice of and Invitation to attend PAC Meeting;
- (iii) Letter dated June 21, 2016 to Mr. Veerasammy Ramayya, Regional Executive Officer, Region No. 6 – East Berbice/Corentyne re: Notice of and Invitation to attend PAC Meeting;
- (iv) Letter dated June 21, 2016 to Mr. Gavin Clarke, Regional Executive Officer, Region No. 10 – Upper Demerara/Upper Berbice re: Notice of and Invitation to attend PAC Meeting;
- (v) Letter dated June 21, 2016 to Mr. Carl Parker, Regional Executive Officer, Region No. 9 – Upper Takatu/Upper Essequibo re: Notice of and Invitation to attend PAC Meeting; and
- (vi) Letter dated June 21, 2016 to Mr. Rafel Downes, Regional Executive Officer, Region No. 8 – Potaro/Siparuni re: Notice of and Invitation to attend PAC Meeting.

ITEM 5:

CORRECTION AND CONFIRMATION OF THE MINUTES OF 15TH MEETING HELD ON 20TH JUNE, 2016

5.1

This item was deferred to the next meeting of the Committee.

ITEM 6:**EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:**

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 6 - East Berbice/Corentyne	346-357 (12)	413-430 (17)	550-563 (14)	Dr. Veerasammy Ramayya

6.1 At 1.50 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No. 6 - East Berbice/Corentyne together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

6.1.1 Officers present for the examination were:

- (i) Dr. Veerasammy Ramayya - Regional Executive Officer
- (ii) Mr. Bhadase Poonai - Deputy Regional Executive Officer
- (iii) Mr. Roopesh Persaud - Regional Engineer
- (iv) Mr. Volika Jaikishaun - Regional Education Officer
- (v) Ms. Simone John - Accountant
- (vi) Mr. Winston Millington - Field Auditor

Mr. Emil Mc Garrell Permanent Secretary, Ministry of Communities was also in attendance.

6.2 Paragraphs 346 (2012), 413 and 418 (2013), 550 and 551(2014) – Overpayment of salaries and deductions

6.2.1 In answering queries, the Accounting Officer informed the Committee that several persons whom were overpaid were no longer in the system or had migrated; however, strenuous efforts were still being made to have the overpayment recovered.

6.2.2 The Chairman suggested that the Accounting Officer should liaise with the Accountant General in an effort to resolve the issue.

- 6.3 Paragraphs 347 (2012), 414 (2013) and 552 (2014) – Unaccounted Fuel and lubricants valued approximately \$21.942M**
- 6.3.1 The Accounting Officer informed the Committee that the abovementioned issue was still engaging the attention of the Guyana Police Force.
- 6.3.2 The Chairman expressed concern that the matter had been engaging the attention of the Police since 2007, and, to date no response was received. He recommended that the Accounting Officer follow up the issue with the Minister of Communities with a view of having it resolved.
- 6.3.3 A query was made with regard to whether log books were being maintained at all pump stations within the Region. The Accounting Officer answered in the affirmative. Subsequently, the Auditor General indicated that arrangements were currently being made for audit checks to be done in that regard.
- 6.4 Paragraphs 348 and 349 (2012), 415 and 419 (2013), 554 and 555 (2014) – Clearance of cheque orders**
- 6.4.1 The Permanent Secretary was requested to submit a document to the Committee outlining the qualifications and requirements for the appointment of REOs.
- 6.5 Paragraphs 350 (2012), 416 (2013) and 553 (2014) – Purchase of dietary items**
- 6.5.1 The Accounting Officer in response to queries with regard to mechanisms that were put in place to improve the system of purchasing at the New Amsterdam and Fort Canje Hospitals indicated the following:
- (i) Storekeepers were instructed to comply with Stores Regulations at all times;
 - (ii) Two additional staff were employed in the stores at the Fort Canje Hospital; and
 - (iii) The Regional Administration was seeking advice from the Ministry of Communities on the way forward.
- 6.5.2 Following further queries made and the responses provided by the Accounting Officer in that regard, some Members of the Committee were of the view that the Accounting Officer was not fully *au fait* with the various Regulations which should guide him in carrying out his duties.

6.5.3 The Finance Secretary pointed out that the issue was one noted among other Regional Executive Officers (REOs). He stated that monthly meetings would be held with the REOs in conjunction with the Permanent Secretary, Ministry of Communities reminding them of their duties and responsibilities as Accounting Officers. Subsequently, the Permanent Secretary concurred with the statement made by the Finance Secretary and undertook to have the meetings held on a regular basis.

6.6 At this point, Members expressed dissatisfaction with the responses proffered by the Accounting Officer. Thereafter, the Committee terminated the examination of the above accounts.

ITEM 7:

EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 5 - Mahaica/ Berbice	336 -345 (10)	404- 412 (17)	537-548 (12)	Mr. Roderick Edinboro

7.1 At 2.50 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No. 5 - Mahaica/Berbice together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

7.1.1 Officers present for the examination were:

- (i) Mr. Roderick Edinboro - Regional Executive Officer
- (ii) Mr. Dhanpall Sukha - Regional Engineer
- (iii) Mr. Amrit Brijnandan - Chief Accountant

Mr. Emil Mc Garrell Permanent Secretary, Ministry of Communities was also in attendance.

7.2 **Paragraphs 336 and 337 (2012), 404, 405 and 407 (2013) and 537 (2014) – Overpayment of salaries and deductions**

- 7.2.1 In responding to queries, the Accounting Officer informed the Committee that the Region had been successful in recovering some of the amounts overpaid during the years 2006-2012. He indicated that efforts were still being made to have the outstanding balances recovered. He further stated that advice would be sought from the Finance Secretary and the Accountant General on the way forward in having some of the amounts written off.
- 7.3 **Paragraphs 338 to 341 (2012), 406, 408 to 410 (2013) and 538 (2014) – Overpayment to contractors**
- 7.3.1 The Accounting Officer informed the Committee that the following measures were put in place to prevent recurrences:
- (i) Employment of Clerk of Works for the supervision of projects;
 - (ii) Hiring of additional staff for the Works Department;
 - (iii) Training of staff at all levels; and
 - (iv) No advance payment would be made for mobilisation except there were security bonds in place.
- 7.3.2 He also stated that none of the contractors were currently working with the Region and in an effort to recoup the overpayments advice had been sought from the Ministry of Communities in that regard.
- 7.3.3 Questioned whether the Region's Works Committee was in place and functioning. The Accounting Officer responded in the affirmative.
- 7.3.4 Thereafter, the Accounting Officer was requested to submit to the Public Accounts Committee within one week, a copy of the Minutes of the last meeting of the Works Committee.
- 7.4 **Paragraphs 342 to 345 (2012) were considered.**
- 7.5 **Paragraphs 411 and 412 (2013) were considered.**
- 7.6 **Paragraphs 539 to 541 (2014) – Awarding of contracts**
- 7.6.1 In light of a query, the Accounting Officer informed the Committee that contracts were now being awarded to the lowest responsive bidder as outlined in the Procurement Act and the recommendations made by the Auditor General.
- 7.6.2 A discussion ensued with regard to the selection of evaluators on the Region's Tender Board Committee and the mechanisms put in place to ensure full compliance with the Procurement Act. The Accounting Officer

indicated that the composition of the Region's Tender Board Committee was based on an approved list of evaluators received from the National Procurement and Tender Administration Board (NPTAB).

7.6.3 At the conclusion of the discussion, the Chairman advised the Accounting Officer to ensure that all documents with regard to the awarding of contracts be made available for audits and to ensure that the Region was in full compliance with the Procurement Act.

7.7 **Paragraph 542 (2014) – Security Services**

7.7.1 In response to a query, the Accounting Officer stated that through the Public Service Commission the Region would be employing two checkers to visit the various locations and to ensure that security guards were on duty and carrying out their responsibilities.

7.8 **Paragraph 543 (2014) – Missing Assets**

7.8.1 The Accounting Officer proffered an explanation with regard to the 85hp Yamaha outboard engine and generator which could not have been accounted for. He indicated that he would vigorously pursue the matter. However, Members expressed dissatisfaction with the responses received.

7.8.2 Subsequently, the Auditor General was requested to follow up the matter and report to the Committee.

7.9 **Paragraph 544 (2014) – Clearance of Cheque Orders**

7.9.1 In response to queries, the Accounting Officer informed the Committee that there were six outstanding cheque orders totalling \$250,000 to be cleared. He also stated that the Region was adhering to the sixteen days rule for the clearance of cheque orders in an effort to avoid recurrences.

7.10 **Paragraphs 545 to 549 (2014) – Awarding of Contracts**

7.10.1 The Auditor General was requested to examine the issues in relation to contracts not being awarded to the lowest or most competitive bidders and report to the Committee on his findings and recommendations.

7.11 At 3.35 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Accounting Officer and his team for their presence at the meeting.

ITEM 8: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 8– Potaro/Siparuni	361-387 (27)	440-462 (21)	566-589 (24)	Mr. Rafel Downes

8.1 At 3.40 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No. 8 – Potaro/Siparuni together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

8.1.1 Officers present for the examination were:

- (i) Mr. Rafel Downes - Regional Executive Officer
- (ii) Mr. Gavin Gounga - Deputy Regional Executive Officer
- (iii) Mr. Shameer Arjoon - Assistant Regional Executive Officer
- (iv) Ms. Sharon George - Accountant
- (v) Mr. Latchman Singh - Engineer
- (vi) Mr. Bolan Persaud - Regional Health Officer
- (vii) Mr. Rabindra Singh - Education Officer
- (viii) Mr. Rawle Nelson - Public Relations Officer
- (ix) Ms. Leoni Sears - Expenditure Analyst

Mr. Emil Mc Garrell Permanent Secretary, Ministry of Communities was also in attendance.

8.2 Paragraphs 362 (2012), 441 and 448 (2013), 566 and 567 (2014) – Overpayment of salaries and deductions

8.2.1 In responding to a query, the Accounting Officer informed the Committee that letters were sent to the Guyana Revenue Authority (GRA) and the National Insurance Scheme (NIS) requesting a refund of the overpaid deductions for the years 2012 and 2013. However, to date no response was received.

- 8.2.2 Ms. Sharon George, Accountant, Region No. 8 – Potaro/Siparuni explained to Members the process for the preparation and payment of salaries to employees. She also informed the Committee that in an effort to avoid overpayments, as soon as, information was received about staff not reporting for duty, the required information was sent to Ministry of Finance for the necessary adjustments to be made to the payroll through Integrated Financial Management System (IFMAS).
- 8.3 Paragraphs 449 (2013) and 568 (2014) – Employees not registered with NIS**
- 8.3.1 Based on a query, the Accounting Officer informed Members that currently only six employees within the Regional Administration were without NIS numbers.
- 8.3.2 Ms. Sharon George apprised Members that the six employees without NIS numbers resided in far flung areas of the Region. However, the application forms from the individuals were uplifted and sent to NIS to be processed.
- 8.3.3 She also stated that with regard to the payment of NIS contributions for persons without a number, the date of birth of the employee was used temporarily until a permanent number was issued. Thereafter, a letter would be sent to NIS requesting the necessary adjustments to be made for the employee.
- 8.3.4 In addition, Members were informed that the Region had instituted measures where only persons with permanent NIS numbers were place on the payroll.
- 8.3.5 A Member suggested that the Region request from NIS a Contribution Statement for each employee who had not been issued a permanent NIS number. Members agreed that the information should be submitted to the Committee within one month.
- 8.4 Paragraphs 450 (2013) and 569 (2014) – Maintenance of log books**
- 8.4.1 An enquiry was made with regard to the measures in place to ensure the proper supervision of vehicles and the maintenance of log books in Sub-Region No. 1. In response, the Accounting Officer indicated that frequent checks were carried out by the Overseer to verify that vehicles and log books were properly maintained.

- 8.4.2 Following further queries, the Committee was also informed that there were thirteen serviceable vehicles (twelve ATVs and one tractor) in Sub-Region No. 1.
- 8.5 Paragraphs 451 (2013) and 570 (2014) – Fuel and Lubricants**
- 8.5.1 Ms. Sharon George explained the process for the allocation of fuel and affirmed that reconciliations of payments made against fuel and lubricants were up to date.
- 8.6 Paragraphs 361, 365 to 368 (2012), 440 (2013) and 571 (2014) were considered.**
- 8.7 Paragraphs 370 (2012), 443 (2013) and 572 (2014) – Mobilisation Advances**
- 8.7.1 A Member enquired what measures were in place to recover mobilisation advances totalling \$4.072M. In response, the Accounting Officer indicated that letters were sent to the contractors and to date two responses were received. However, in an effort to resolve the issue, advice would be sought from the Ministry of Communities on the way forward.
- 8.7.2 Thereafter, the Permanent Secretary, Ministry of Communities agreed to follow up the matter and submit a report to the Committee within one month in that regard.
- 8.8 Paragraphs 462 (2013) and 573 (2014) – Breaches of Stores Regulations**
- 8.8.1 Responding to queries, the Accounting Officer informed the Committee that there was presently three staff assigned to the Stores and all records were properly maintained.
- 8.9 Paragraphs 363 (2012), 442 (2013) and 574 (2014) were considered.**
- 8.10 Paragraphs 387 (2012), 447 (2013) and 575 (2014) – Payment Vouchers totalling \$12.369M**
- 8.10.1 Members expressed concern that thirty payment vouchers and the respective cheques were still in the possession of the Region for in excess of a year and were not returned to the Consolidated Fund.
- 8.10.2 The Accounting Officer informed the Committee that the cheques were currently being updated and would be returned to the Consolidated Fund within two days.

- 8.11 Paragraphs 460 (2013) and 576 (2014) – Retention payments for the construction of Monkey Mountain Primary School and Teachers’ Quarters, Mahdia**
- 8.11.1 In light of an enquiry, the Accounting Officer stated that the two vouchers valued \$1.105M were located and would be submitted for audit examination within two days.
- 8.12 Paragraphs 371, 373 to 375, 377, 379 to 384 (2012), 444 and 446 (2013), 577 and 578 (2014) – Overpayments made to contractors**
- 8.12.1 The Committee was informed that the Region would engage the Ministry of Communities on the matter.
- 8.13 Paragraphs 452 and 453 (2013), 579 and 580 (2014) – Contracts awarded for the construction of three bridges and revetments at Kurukubaru, Kato and Echilebar**
- 8.13.1 In response to whether the Region’s Works Committee was operational and would approve contracted works, the Accounting Officer responded in the affirmative. The Finance Secretary was requested to verify the information provided by the Accounting Officer.
- 8.14 Paragraphs 454 to 457 (2013) and 581 (2014) were considered.**
- 8.15 Paragraphs 372 and 385 (2012), 445 and 458 (2013), 582 and 583 (2014) - Capital items purchased**
- 8.15.1 The Committee was informed that all capital items purchased in 2011 and 2012 were subsequently delivered to the Region and were updated in the Stock Ledger.
- 8.16 Paragraphs 459 (2013) and 584 (2014) – Purchase of Nissan Ambulance**
- 8.16.1 In answering queries, the Accounting Officer informed the Committee of the following:
- (i) The ambulance had been in the Region, however, it was immobile;
 - (ii) Repairs were done to the ambulance and the Ministry of Health had indicated its willingness to render further assistance in that regard; and
 - (iii) The Region was currently acquiring a new ambulance.

- 8.16.2 Members were concerned that the Region had purchased the ambulance for the sum of \$10.300M and no warranty and or performance bond were issued by the supplier at the time of purchase. Further, the said vehicle was purchased for less than two years and the Region was currently in the process of acquiring a new ambulance.
- 8.16.3 Thereafter, the Auditor General was requested to examine the issue and submit a report to the Committee.
- 8.17 Paragraph 585 (2014) - Taxpayer Identification Number (TIN)**
- 8.17.1 The Committee was informed that all employees were in possession a Taxpayer Identification Number.
- 8.18 Paragraphs 586 and 587 (2014) – Payment Vouchers**
- 8.18.1 The Accounting Officer affirmed that all payment vouchers were properly prepared and all requisite documentation attached.
- 8.19 Paragraph 588 (2014) – Contract for the construction of Tumong bridge**
- 8.19.1 Members were informed that the cheque valued \$1.615M was currently being updated and would be returned to the Consolidated Fund within two days.
- 8.20 Paragraph 589 (2014) – Seventy-five capital purchases valued at \$46.870M**
- 8.20.1 In responding to a query, the Accounting Officer informed Members that in relation to the items purchased at the value of \$29.801M, all supporting documents were located and would be submitted within two days for audit examination.
- 8.21 Paragraph 461 (2013) was considered.**
- 8.22 Paragraphs 364, 369, 376, 378 and 386 (2012) were considered.**
- 8.23 At 5.07 p.m., the Committee concluded the examination of the above accounts. The Chairman thanked the Accounting Officer and his team for their presence at the meeting.

ITEM 9:**EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:**

Ministry/Department/ Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 9 – Upper Takutu/Upper Essequibo	388-410 (23)	463-482 (20)	590-615 (26)	Mr. Carl Parker

9.1 At 5.27 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No. 9 – Upper Takutu/Upper Essequibo together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

9.1.1 Officers present for the examination were:

- (i) Mr. Carl Parker - Regional Executive Officer
- (ii) Ms. Debra Rampersaud - Principal Assistant Secretary (Finance)
- (iii) Ms. Maxine Welch - Administrative Officer
- (iv) Mr. Collis Nicholson - Senior Superintendent of Works

Mr. Emil Mc Garrell Permanent Secretary, Ministry of Communities was also in attendance.

9.2 Paragraphs 392 (2012), 467 (2013) and 590 (2014) – Overpayments of salaries and deductions

9.2.1 Based on a query, the Accounting Officer informed the Committee that efforts to recover amounts totalling \$159,417 overpaid to one employee proved futile.

9.2.2 Clarification was sought with regard to the total number of employees who were overpaid. The Auditor General explained that one employee was overpaid, however, deductions paid over to the Guyana Revenue Authority and the National Insurance Scheme were for five employees.

9.2.3 Subsequently, the Accounting Officer agreed to seek advice from the Finance Secretary on the way forward to have the issue resolved.

- 9.3 Paragraphs 391 and 394 (2012), 466 and 469 (2013) and 591 (2014) – Overpayments on Contracts**
- 9.3.1 Questioned whether the Region was successful in recovering the overpayments, the Accounting Officer stated that \$126,000 was recovered from one contractor. In addition, letters were sent to the other contractors; to date no response was received.
- 9.3.2 The Accounting Officer also informed the Committee that some of the overpaid contractors were currently engaged in other contracts with the Region. However, the issue was discussed with the Public Works Department and preparations were being made to have a meeting with the contractors within a week.
- 9.4 Paragraphs 395 (2012), 470 (2013) and 592 (2014) – Overpayments on Contracts (Rehabilitation of sections of Lethem main road)**
- 9.4.1 In light of a query, the Accounting Officer informed the Committee that in an effort to avoid recurrences of overpayments, the Region had employed an additional Clerk of Works to supervise each contract from commencement to completion. In addition, instructions were given to the Clerk of Works to cease all works if a contractor was found to be in default. Thereafter, the Superintendent of Works should be notified and the matter would be thoroughly investigated.
- 9.5 Paragraphs 389 and 399 (2012), 464, 475, 476 and 481 (2013), 593 to 595 (2014) – Maintenance of log books and Breaches of the Stores Regulations**
- 9.5.1 Subsequent to queries raised by Members, the Accounting Officer mentioned the following:
- (i) Log books at central office were signed off by the Regional Executive Officer before fuel was issued, nonetheless, in his absence the books were signed by the Principal Assistant Secretary (Finance);
 - (ii) In the sub-regions the log books were signed off by the District Development Officer (DDO);
 - (iii) By Regulations, the Stores required a minimum of seven staff, at present, one staff was assigned to the Stores; and
 - (iv) A request was made through the Public Service Commission for the employment of the six addition staff needed. However, there were difficulties in attracting suitably qualified persons to fill the vacancies.

- 9.5.2 The Accounting Officer stated that the employment issues were discussed with the Permanent Secretary, Ministry of Communities Thereafter, the Permanent Secretary corroborated the comments made by the Accounting Officer.
- 9.5.3 At this point the Chairman was excused from the meeting and Ms. Pauline Campbell-Sukhai presided over the meeting. The Committee continued its discussion on the above mentioned paragraph.
- 9.5.4 A lengthy discussion ensued, after which Members agreed that the Permanent Secretary should discuss the issue with the Minister in an effort to have it resolved.
- 9.6 Paragraphs 388 (2012), 463 ad 474 (2013), 596 (2014) – Outstanding cheque orders**
- 9.6.1 Based on queries, the Accounting Officer informed the Committee that presently there were twenty outstanding cheque orders at the value of \$12.403M to be cleared.
- 9.6.2 Following further queries and the responses received from the Accounting Officer, Members noted that there were discrepancies with the information provided by the Accountant General and the Accounting Officer with regard to the total number of outstanding cheque orders to date.
- 9.6.3 Consequently, the Accounting Officer undertook to re-check the records and report his findings to the Committee within two weeks. Members then requested that the Accountant General re-examine the information and report to the Committee at its next meeting.
- 9.7 Paragraphs 390 (2012), 465 (2013) and 597 (2014) – Special Project Fund**
- 9.7.1 The Committee was informed that advances totalling \$2.908M issued to Officers from the Special Project Fund during the period 1997-2008 remained outstanding. In addition, Members were also informed that some of the Officers who received advances were now deceased. In an effort to resolve the issue, a letter was sent to the Accountant General in July, 2013 requesting a write off.
- 9.7.2 The Committee, in noting the comments made by the Accounting Officer, enquired whether follow ups were done. The Accounting Officer responded in the negative, however, he requested one month to report to the Committee on the issue.

- 9.7.3 Thereafter, the Accountant General requested that the Accounting Officer submit to the Ministry of Finance a list comprising the names and amounts of the Officers with outstanding advances. This would facilitate the recovering of the amounts from the individuals' benefits upon retirement.
- 9.8 Paragraphs 408 to 410 (2012), 472 (2013) and 598 (2014) – Alleged Robbery**
- 9.8.1 In answering a query, the Accounting Officer stated that, to date, the employees who were affected by the alleged robbery in January, 2013 were not paid. He further stated that a letter along with the police report was sent to the previous Finance Secretary; however, no response was received.
- 9.8.2 In addition, the Accounting Officer indicated that he had knowledge of a Cabinet approval for the employees to be paid. He, however, explained that no follow up was done with the current Finance Secretary on the issue.
- 9.8.3 Following a discussion, the Finance Secretary advised the Accounting Officer to re-submit the relevant information on the issue. Based on the advice received, the Accounting Officer assured Members that he would work assiduously with the Ministry of Finance to resolve the issue within one month.
- 9.9 Paragraphs 400 and 401 (2012), 473 (2013) and 599 (2014) – Outstanding Imprest Advance issued in 2012 totalling \$90,000**
- 9.9.1 The Committee was informed that the Region was currently awaiting the issue at *paragraphs 408 to 410 (2012), 472 (2013) and 598 (2014)* to be resolved before the outstanding advance in the abovementioned paragraph could be cleared.
- 9.10 Paragraphs 483 (2013) and 600 (2014) – Government Quarters**
- 9.10.1 The Accounting Officer in response to a query informed Members that the Region's Building Inventory was not up-to-date.
- 9.10.2 A lengthy discussion ensued after which Members urged the Accounting Officer to examine the issue and have the relevant information submitted to the Auditor General in an effort to bring closure to the issue.

- 9.11 Paragraphs 396 (2012), 471 (2013), 601 and 602 (2014) – Overpayments on Contracts**
- 9.11.1 The Accounting Officer informed the Committee that letters were sent to the contractors requesting refunds of the overpayments, to date, no response was received. He assured Members that strenuous efforts would be made to bring closure to the issue.
- 9.11.2 Questioned whether Auditors had verified the re-measured works carried out on the Sub-Treasury building No.R235 at Lethem. The Accounting Officer responded in the negative.
- 9.11.3 Subsequently, the Auditor General informed the Committee that the Audit Office had scheduled a visit to the Region in three weeks and the audits would be carried out at that time.
- 9.12 Paragraphs 603 to 606 (2014) were considered.**
- 9.13 Paragraph 607 (2014) – Cheques in respect of 2014 payments on hand**
- 9.13.1 The Committee was informed that eleven cheques valued at \$3.094M were at the Sub-Treasury.
- 9.13.2 Members expressed concern that the cheques were not returned to the Consolidated Fund. The Accounting Officer was requested to have the issue corrected forthwith.
- 9.14 Paragraphs 608 to 615 (2014) – Overpayments on Contracts**
- 9.14.1 Responding to queries, the Accounting Officer stated that the bridges at Baishaidrun and Awaruwaunau (Turner creek) were completed by the contractor at the contract sum and verifications were done by the Region.
- 9.14.2 The Committee was also informed that with regard to the construction of the bridge at Chilwau, a letter was sent to the contractor requesting a refund of the overpayment. The Contractor had since indicated his willingness to refund the amount overpaid.
- 9.14.3 Thereafter, the Accounting Officer was requested to submit to the Auditor General the names of the Region's Clerks of Works and their Job Description and Specification. Subsequently, the information would be provided to the Committee.
- 9.15 Paragraphs 393 (2012), 468, 477 to 480 and 482 (2013) were considered.**

9.16 Paragraphs 397 and 398, 402 to 407 (2012) were considered.

9.17 At 7.20 p.m., the Committee concluded the examination of the above accounts. The Presiding Officer thanked the Accounting Officer and his team for their presence at the meeting.

ITEM 10: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 10 – Upper Demerara/Upper Berbice	411-445 (35)	484-492 (9)	616-631 (16)	Mr. Gavin Clarke

10.1 At 7.25 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No.10 – Upper Demerara/ Upper Berbice together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

10.1.1 Officers present for the examination were:

- (i) Mr. Gavin Clarke - Regional Executive Officer
- (ii) Ms. Maylene Stephen - Deputy Regional Executive Officer
- (iii) Ms. Marcia Paddy-Andrews - Regional Education Officer
- (iv) Ms. Dolette Powers - Principal Assistant Secretary (Finance)
- (v) Ms. Pansy Armstrong - Regional Health Officer
- (vi) Mr. Clive Peters - Engineer (Works Department)

Mr. Emil Mc Garrell Permanent Secretary, Ministry of Communities was also in attendance.

10.2 Paragraphs 411 (2012), 484 (2013) and 616 (2014) – Overpayment of Salaries

10.2.1 Based on queries, the Accounting Officer indicated that all overpayments were recovered and strenuous efforts were being made to prevent recurrences.

10.3 Paragraphs 412, 421 to 424 (2012), 485 and 487 (2013), 617 (2014) – Overpayments on Contracts

10.3.1 In responding to queries, the Accounting Officer stated that the Region had implemented systems where projects were checked off and certified by a Clerk of Works as completed to specifications.

10.3.2 He also stated that the letters were sent to contractors in an effort to have the overpayments recovered. As a result, the Region was successful in recovering \$395,000. Members were also informed that some of the overpaid contractors were currently engaged in other contracts within the Region and reminders were sent requesting the outstanding balances to be repaid.

10.4 Paragraphs 414 (2012), 489 (2013) and 618 (2014) were considered.

10.5 Paragraphs 490 (2013) and 619 (2014) – Disposal of vehicles

10.5.1 In light of an enquiry, the Accounting Officer stated that a letter was sent to the Finance Secretary in October, 2015 requesting a change of the President of the Region's Board of Survey, however, no response was received.

10.5.2 In addition, the Accounting Officer informed the Committee that a letter comprising a list of the unserviceable vehicles and other items were sent to the Finance Secretary for the approval of the items to be disposed. Notwithstanding this, the Region was notified that one of the required forms was not submitted. Consequently, the Region was requested to resubmit the information.

10.5.3 Thereafter, the Committee was informed that the necessary documentation would be sent to the Finance Secretary within one week. The Finance Secretary indicated that he would follow up the issue and report to the Committee in that regard.

- 10.6 Paragraphs 413 (2012), 486 (2013), 620 and 621 (2014) – Loss of Cash and Cheques**
- 10.6.1 In answer to a query, the Accounting Officer stated that, as a result, of the alleged robbery at the Regional Accounting Unit (RAU) some contractors were not paid. He concurred that the issue was a prior year liability and would follow up with the Finance Secretary in an effort to resolve the issue.
- 10.6.2 Questioned whether a request was made for supplementary provisions to facilitate the outstanding sums, the Accounting Officer responded in the negative and agreed to follow up the issue with the Finance Secretary.
- 10.7 Paragraphs 427, 438, 441 (2012), 488 (2013) and 622 (2014) – Overpayments on Capital Contracts**
- 10.7.1 The Accounting Officer informed the Committee that \$22,000 was recovered in 2014. He also stated that there were presently two contractors with outstanding balances totalling \$2.279M engaged in other contracts within the Region.
- 10.7.2 A discussion ensued, after which the Accounting Officer mentioned that the Tender Board was responsible for the approval of variations of projects.
- 10.8 Paragraph 623 (2014) – Subvention to Local Authorities**
- 10.8.1 Members sought advice from the Auditor General on the issue. The Auditor General explained that the amounts allocated were placed under the incorrect line item. As a result, the Region should communicate with the Director of Budget to have the issue rectified.
- 10.8.2 The Accounting Officer informed the Committee that the issue would be regularised in the 2017 Budget.
- 10.9 Paragraphs 624 to 626 (2014) were considered.**
- 10.10 Paragraph 492 (2013) was considered.**
- 10.11 Paragraphs 415 to 420, 425 and 426, 428 to 437, 439 and 440, 442 to 445 (2012) were considered.**

10.12 At 8.30 p.m., the Committee concluded the examination of the above accounts. The Presiding Officer thanked the Accounting Officer and his team for their presence at the meeting.

ITEM 11: EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE FISCAL YEARS ENDING 31ST DECEMBER 2012, 2013 AND 2014, TOGETHER WITH THE REPORT OF THE AUDITOR GENERAL THEREON, IN RESPECT OF THE FOLLOWING:

Ministry/Department /Other	Paragraphs in the Auditor General Report			Accounting Officer
	2012	2013	2014	
Region No. 1- Barima/Waini	281-303 (23)	346-366 (21)	481-498 (18)	Mr. Leslie Wilburg

11.1 At 8.37 p.m., the Committee commenced consideration of the Report of the Public Accounts with respect to Region No.1 - Barima/Waini together with the comments submitted by the Accounting Officer for the years 2012, 2013 and 2014.

11.1.1 Officers present for the examination were:

- (i) Mr. Leslie Wilburg - Regional Executive Officer
- (ii) Mr. Emil Mc Garrell - Permanent Secretary, Ministry of Communities
- (iii) Mr. Edmund Inniss - Accountant (ag)
- (iv) Mr. Yogeshwar Narain - Civil Engineer

11.2 **Paragraphs 281 (2012), 346 (2013) and 487 (2014) – Clearing of cheque orders**

11.2.1 In responding to a query with regard to the total number of outstanding cheque orders, the Accounting Officer informed Members that there were 720 cheque orders that remained outstanding for the year 2014. However, he was unable to provide the total number of outstanding cheque orders for the year 2015. As a result, he was requested to submit the information to the Committee.

11.2.1 Following further queries, the Auditor General indicated that within two weeks auditors would visit the Region to carry out audit checks and the

information provided to the Committee by the Accounting Officer would also be verified.

11.3 Paragraphs 282 and 283 (2012), 347 (2013), 482 and 483 (2014) - Log Books

11.3.1 A Member enquired whether there were supervisory checks with regard to the maintenance of log books. In response, the Accounting Officer stated that every Head of Department was tasked with the responsibility to ensure that the log books were properly maintained.

11.4 Paragraphs 284 (2012), 348 (2013) and 481 (2014) – Overpayment to contractors totalling \$467,000.

11.4.1 The Accounting Officer informed Members that a letter was sent to the contractor on the 16th March, 2016, however, to date, no response was received. He also stated that he was in communication with the Ministry of Communities on the way forward.

11.5 Paragraphs 285 (2012), 349 (2013) and 485 (2014) – Electricity Meters

11.5.1 In light of an enquiry, the Accounting Officer stated that 116 meters were installed in Matthews Ridge and the remainder was currently with the Ministry of Public Infrastructure. He also indicated that the remaining electricity meters would be installed in Mabaruma as part of the electricity upgrade programme for the community.

11.5.2 Following further queries, the Auditor General confirmed the statements made by the Accounting Officer. He further stated that there were 125 electricity meters remaining of which 63 were deemed damaged. As a result, the Accounting Officer would have to submit a losses report in that regard.

11.6 Paragraph 286 (2012) was considered.

11.7 Paragraphs 287 to 289 (2012), 350 (2013) and 491 (2014) – Overpayments to contractors

11.7.1 In answering a query, the Accounting Officer informed the Committee that the Region was successful in recovering some of the overpayments. This was due to the fact that some of the contractors were engaged in additional contracts within the Region and the overpaid amounts were deducted from the existing contract sum.

- 11.7.2 He also stated that letters were sent to the other contractors requesting repayment of the sums overpaid. Notwithstanding this, advice would be sought from the Ministry of Communities on the way forward.
- 11.8 **Paragraphs 290 to 294 (2012) and 351 to 353 (2013) were considered.**
- 11.9 **Paragraphs 295 and 296 (2012), 354 and 355 (2013) and 492 (2014) – Mobilisation advance totalling \$3.712M**
- 11.9.1 The Accounting Officer informed the Committee that the Region was successful in recovering mobilisation advance totalling \$1.2M. He also indicated that the Region would continue to pursue the issue in an effort of recovering the total amount overpaid. Members were also informed that the contractor had indicated his willingness to repay the remaining balance by the end of the month.
- 11.9.2 A Member indicated that he was appalled that even though the contract was terminated, the contractor had agreed to repay the monies. The Auditor General was subsequently requested to investigate the matter.
- 11.10 **Paragraphs 297 and 299 (2012), 356 and 358(2013), 493 and 494 (2014) - Overpayments to Contractor**
- 11.10.1 The Committee was informed that the matter was engaging the attention of the Court.
- 11.10.2 Following queries, the Accounting Officer stated that the matter was last called on the 6th June, 2016 and the Region was currently awaiting advice from the Lawyer.
- 11.10.3 Thereafter, the Permanent Secretary was requested to follow up the issue and submit a report to the Committee in that regard.
- 11.11 **Paragraphs 298 (2012) and 357 (2013) were considered.**
- 11.12 **Paragraphs 300 (2012) and 359 (2013) – Overpayments to Contractor**
- 11.12.1 Based on a query, the Accounting Officer stated that works were completed and requested additional time to provide the Committee with the name of the contractor.
- 11.13 **Paragraphs 301 to 303 (2012) were considered.**
- 11.14 **Paragraphs 360 (2013) and 486 (2014) – Disposal of unserviceable vehicles/equipment**

- 11.14.1 The Committee was informed that the Senior Engineer from the Ministry of Public Infrastructure would be visiting the region on 11th July, 2016 to conclude the assessment and valuation of the twenty-five unserviceable vehicles/equipment,
- 11.15 **Paragraphs 361 (2013) and 484 (2014) – Breach of Stores Regulations**
- 11.15.1 The Accounting Officer indicated that presently two staff were employed at the Stores, however, in an effort to comply with the Stores Regulations the Region had advertised for an additional staff.
- 11.16 **Paragraphs 362 to 365 (2013), 488 and 489 (2014) were considered.**
- 11.17 **Paragraphs 366 (2013) and 490 (2014) – Cheques found in the Sub-Treasury’s safe**
- 11.17.1 In answering a query, the Accounting Officer apprised Members that currently there were three cheques totalling \$9.469M in the Sub-Treasury’s safe. In an effort to resolve the issue consultations would be held with the Accountant General on the matter.
- 11.18 **496 (2014) – Contract for repairs to Aruka Primary School**
- 11.18.1 The Auditor General indicated that auditors would revisit the project within two weeks.
- 11.19 **Paragraphs 497 and 498 (2014) were considered.**
- 11.20 At 9.30 p.m., the Committee concluded the examination of the above accounts. The Presiding Officer thanked the Accounting Officer and his team for their presence at the meeting.

ITEM 12: ANY OTHER BUSINESS

- 12.1 **Conclusion of the examination of the Auditor General’s Reports for the years 2012 to 2014**
- 12.1.1 Members acknowledged the conclusion of the work of the Committee with respect to the consideration of the Public Accounts of Guyana for the fiscal years ended 31st December, 2012, 2013 and 2014, together with the report of the Auditor General thereon, in respect of the various Ministries/Departments/Regions.
- 12.2 **Next scheduled meeting:**

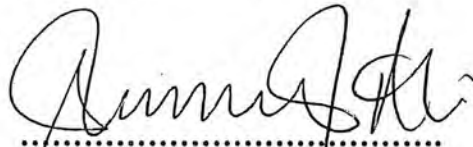
12.1.1

Members agreed that the next meeting of the Committee would be held on Friday, 15th July, 2016 at 9.00 a.m. to commence consideration of the nominees to the Public Procurement Commission.

Adjournment

At 9.35p.m., the meeting was adjourned to 9.00 a.m. on Friday, 15th July, 2016.

Confirmed this 15th day of July, 2016



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*Mr. Mohamed Irfaan Ali, M.P.,
Chairman*