

July 2018-June 2019

Samoa Audit Office

REPORT ON IRREGULARITIES

This report is on all irregularities reported for the period 1 July
2018 to 30 June 2019

*Please address all correspondences
to the Controller and Auditor General*



AUDIT OFFICE

7 October 2019

Afioga Leaupepe Toleafoa Fa'afisi
Honourable Speaker of the Legislative Assembly
Independent State of Samoa

Dear Mr. Speaker,

Report to Parliament – Report on Irregularities in the Ministries and Parliamentary and Constitutional Offices of the Independent State of Samoa reported to the Audit Office for the period, 1 July 2018 to 30 June 2019.

In compliance with Article 98 of the Constitution of the Independent State of Samoa 1960 and Section 42 of the Audit Act 2013, I respectfully submit to you, for transmission to the Legislative Assembly of Samoa and for tabling in the next Parliament session, my Report on Irregularities in the Ministries and Parliamentary and Constitutional Offices of the Independent State of Samoa reported to the Audit Office for the period, 1 July 2018 to 30 June 2019.

Yours Sincerely,

Fuimaono Mata'afā Papali'i C. G. Afele
CONTROLLER AND AUDITOR-GENERAL

Foreword

All Ministries and Parliamentary and Constitutional Offices are required to report to the Audit Office any irregularities that occur within their entities related to cash, stores or other assets. The Ministry of Finance (MOF), through its Internal Audit and Investigations Division, carries out investigations of these irregularities reported.

This report is a summary of all irregularities reported to the Audit Office for the quarter 1 July 2018 to 30 June 2019 and it is my seventeenth report to Parliament since my initial appointment in late September 2010.

Irregularities are classified in our reports to parliament into four (4) categories or types. These are:

- A. Vehicle Parts and Repairs
- B. Loss, Damage, and Theft of Public Property
- C. Misappropriation of Public Funds
- D. Special Investigations

Irregularity reports must be submitted immediately after the incident to which they relate and must not be delayed pending the completion of any departmental, ministry or Police investigation, as per Treasury Instructions 2013.



Fuimaono Mata'afā Papali'i.C.G.Afele
CONTROLLER AND AUDITOR-GENERAL

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1. Ministry of Agriculture & Fisheries

Type A: Vehicle Parts and Repair

A1. Damages to government vehicle

Vehicle	MAF26
Cost of damages	\$ 1,520

Details:

The Irregularity Report dated 10 January 2019 reported damages to vehicle with registration MAF26. The designated driver was at fault which led to a vehicle collision and subsequent damages to MAF26. It is insured with the excess amount of \$500.

MOF Recommendation:

The designated driver is liable to surcharge under section 111(1) of the Public Finance Management Act 2001.

A2. Damages to government vehicle

Vehicle	MAF38
Cost of damages	Unknown

Details:

The Irregularity Report dated 6 September 2018 reported damages to vehicle with registration MAF38. An investigation was conducted by the Internal and Investigations Division (IAID) of the Ministry of Finance (MOF). Vehicle MAF38 was found to be damaged and the designated driver is not responsible for damages. The government vehicle is insured with the excess amount of \$500.

MOF Recommendation:

Based on the investigation, this case is now closed.

Type B: Loss, Damage and Theft of Public Property

B1. Missing number plate of vehicle MAF05

Public property	Vehicle Number plate
Value	\$220

Details:

This was reported to MOF on the 1st February 2018 and received by Audit Office on the 19th November 2018. The number plate of vehicle MAF05 went missing and its authorised driver is not responsible for it. There is insufficient evidence to confirm the responsible person for the missing number plate.

Also, during the investigation by MOF, various systematic weaknesses in MAF's internal controls over the use of government vehicles were identified.

MOF Recommendation:

As per Part C.17. (6) of the Treasury Instruction 2013, MOF invited MAF to respond to recommendations and corrections actions recommended.

B2. Damaged fence at Crops Division in Nu'u on 12 May 2018

Public property	Fence
Value	\$2,300

Details:

This was reported on 29 May 2018.

The night watchman wrote a statement regarding the incident that took place in Nu'u. It was 2.02am when he heard a loud sound and walked to the location he heard the sound and saw a red vehicle inside the gate. The vehicle crashed into the fence and it got stuck against a huge rock inside the gate. There were three men inside the vehicle. The third party who drove the vehicle is responsible for damages and was charged with careless driving. The total cost to the government including the cost of repairs to the fence is \$2,300. MAF is required to recover costs of damages to the fence. A signed agreement had been made with the third party for repayments of \$20 weekly repayments until the total \$2,300 is fully recovered commencing from the 20 July 2018. The third party made a first payment of \$100 on the 13 July 2018.

MOF Recommendation:

The MOF recommended the MAF to meet costs for repairing the damaged fence of \$2,300 and recover full costs from the responsible third party as per Debtor Agreement already made and signed between the MAF and third party, dated 16 July 2018.

Agriculture & Fisheries – Summary of IRs reported

Type A	
IRs relating to FY18/19	2
Total cost of damages/loss reported	\$ 1,520.00
Repairs (to be) covered by insurance	\$ 1,520.00
Repairs (to be) paid for by government	\$ 0.00
Insurance excess fees (to be) paid by government	\$ 1,000.00
Repairs (to be) paid by or recovered from employee(s) (including surcharges)	\$ 500.00
Type B	
IRs relating to previous FYs	2
Total (known) costs of damages/loss reported	\$ 2,520.00

Total IRs	
Type A	2
Type B	2
	4
Total IRs relating to FY18/19 reported	2
Total IRs relating to previous FYs	2
Total (known) cost of damages/loss reported	\$ 4,040.00
Total repairs (to be) covered by insurance	\$ 1,520.00
Total repairs (to be) paid for by government	\$ 2,520.00
Total insurance excess fees (to be) paid by government	\$ 1,000.00
Total repairs (to be) paid by or recovered from employee(s) (including surcharges) or third party	\$ 2,800.00

2. Attorney General

Type A: Vehicle Parts and Repair

A1. Damages to government vehicle – Unknown Date

Vehicle	AG06
Cost of damages	\$ 880

Details:

Vehicle AG06 was driven by the designated at the time of incident. He is also responsible for damages. The vehicle AG06 is insured with the excess amount of \$500.

MOF Recommendation:

The responsible driver is liable to surcharge (of \$500) under section 111(1) of the PFM Act 2001.

Type B: Loss, Damage and Theft of Public Property

B1. Two lost gowns

Public Property	Gowns
Cost	\$700

Details:

This irregularity was dated 10th December 2018.

The two gowns were lost and considered public property. The responsible person for the lost gowns cannot be identified. Since there is insufficient evidence to confirm the person responsible for the two lost gowns, the Office of the Attorney General should bear the cost of the new replacement gowns.

MOF Recommendation:

MOF recommended the following to address the systematic weaknesses in OAG's internal controls:

- The ACEO-Corporate Services Division (CSD) should develop and implement proper procedures and policies to monitor the use and movement of gowns and similar public property by staff;
- The ACEO, CSD should ensure that all gowns are given an asset number each and registered on the Finance One system;
- The ACEO, CSD to ensure that gowns already issued to staff be registered under each respective staff member's list of assets under their custody so that these can be traced and returned when they leave the service;
- The ACEO, CSD to perform an asset count of all gowns including all other public properties on a regular basis and to keep a record of the respective counts for audit purpose and reference and;
- For future replacement of gowns due to wear and tear, the usual write-off process should be properly followed.

Attorney General– Summary of IRs reported

Type A	
IRs relating to FY18/19	1
Total cost of damages/loss reported	\$ 880.00
Repairs (to be) covered by insurance	\$ 880.00
Repairs (to be) paid for by government	\$ 0.00
Insurance excess fees (to be) paid by government	\$ 500.00
Repairs (to be) paid by or recovered from employee(s) (including surcharges)	\$ 500.00
Type B	
Total (known) costs of damages/loss reported	\$ 700.00

Total IRs	
Type A	1
Type B	1
	2
Total IRs relating to FY18/19 reported	
	2
Total IRs relating to previous FYs	
	-
Total (known) cost of damages/loss reported	
	\$ 1,580.00
Total repairs (to be) covered by insurance	
	\$ 880.00
Total repairs (to be) paid for by government	
	\$ 0.00
Total insurance excess fees (to be) paid by government	
	\$ 500.00
Total repairs (to be) paid by or recovered from employee(s) (including surcharges)	
	\$ 500.00

3. Audit Office

Type A: Vehicle Parts and Repair

A1. Damages to government vehicle on 10 July 2018

Vehicle	AO03
Cost of Damages	\$ 1,200

Details:

Vehicle AO03 was noted to be damaged with insufficient evidence and information to confirm the responsible person for damages. The authorised driver of vehicle AO03 is not responsible damages. AO03 is insured with the excess amount of \$200.

MOF Recommendation:

MOF recommended the Audit Office to pay the excess fee of \$200 to the insurance company for covering the cost of repairs since the responsible person for the damage to AO03 cannot be identified. This case is now closed.

4. Ministry of Education, Sports and Culture

Type A: Vehicle Parts and Repairs

A1. Damages to government vehicle on 8 October 2018 & 18 October 2018.

Vehicle	MINMESC
Cost of damages	Unknown

Details:

There were two investigations conducted on two different Irregularity Reports for accidents that occur on the 8th October 2018 and 18th October 2018 regarding the same vehicle MINMESC. The first accident causes damages to vehicle MINMESC and the driver is not responsible for it. The second accident causes damages to the same vehicle MINMESC and the designated driver is responsible for it.

MOF Recommendations:

According to findings and conclusion on the first IR, the investigations is now closed with recommendations to improve systems of controls governing the use of Government properties for implementation. Based on the second investigation, the driver was found responsible for damages to MINMESC and is liable to surcharge under section 111(1)(e) and 111(2)(e) of the Public Finance Management Act (PFMA) 2001.

5. Office of the Electoral Commissioner

Type A: Vehicle Parts and Repairs

A1. Damages to government vehicle – Unknown Date

Vehicle	OEC01
Cost of damages	\$650

Details:

This IR was received by Audit Office on the 22nd November 2018. Vehicle OEC01 was driven by the authorized driver at the time of the incident. The driver is responsible for damages. The government vehicle is insured with the excess fee of \$500.

MOF Recommendation:

The responsible driver is liable to surcharge (of \$500) under section 111(1) of the PFM Act 2001.

6. Ministry of Foreign Affairs and Trade

Type A: Vehicle Parts and Repairs

A1. Damages to government vehicle

Vehicle	MFAT06
Cost of damages	\$2, 081.40

Details:

The incident took place on the 21st June 2018 whereas vehicle MFAT06 was used by the Acting Chief Executive Officer. Damages had already been repaired by the Insurance Company with the excess fee of \$500 already paid by the Acting CEO.

MOF Recommendations:

No further investigation as the case is now closed.

7. Office of the Clerk and Legislative Assembly

Type A: Vehicle Parts and Repairs

A1. Damages to government vehicle on 27 August 2018

Vehicle	LA05
Cost of damages	\$500 (excess fee)

Details:

Vehicle LA05 was found damaged and its authorized driver is not responsible for such damage. The driver of the third party was at fault which led to vehicles collision causing damages to LA05. The government vehicle is insured with the excess amount of \$500.

MOF Recommendations:

Based on the investigation, this case is now closed.

8. Ministry of Natural Resources and Environment

Type A: Vehicle Parts and Repairs

A1. Damages to government vehicle on 9 November 2018

Vehicle	MNRE05
Cost of damages	\$750

Details:

Vehicle MNRE05 as found damaged and the authorized driver is not responsible for the damage. It was noted that the third party is responsible for the damage. MNRE05 is insured with the excess amount of \$500.

MOF Recommendations:

MNRE should cover the excess fee of \$500 since the damage to MNRE05 has already been repaired and covered by the insurance company and recover this \$500 from the responsible third party through the office of the Attorney General in liaison with MOF. Based on the investigation, the case is now closed.

9. Ministry of Police

Type A: Vehicle Parts and Repairs

A1. Damages to government vehicle

Vehicle	POL47
Cost of damages	\$ 600.00

Details:

The accident occurred on the 30th April 2018 and was reported to Samoa Audit Office on the 24th April 2019. Vehicle POL47 was driven by one constable when the incident occurred. The driver is not responsible for damages. POL47 is insured with the excess amount of \$500.

MOF Recommendations:

No recommendation as the case is now closed.

A2. Damages to government vehicle

Vehicle	POL48
Cost of damages	\$ 1,860.00

Details:

The incident that causes damages to vehicle POL48 took place on the 17th December 2017 and was only reported to Audit Office on the 24th June 2019. POL48 was driven by one officer and he is not responsible for damages as there is insufficient evidence to confirm the responsible person. POL48 is insured with excess amount of \$500.

MOF Recommendations:

To comply with Part L.12(2)(d) of the Treasury Instructions 2013, drivers when transferring the control of a vehicle to another shall check the condition of a vehicle before the transfer takes place. Transport Officer should be warned to always perform regular inspections of MOP vehicles before and after use so that damages to vehicles and the responsible person for the damages are identified early.

A3. Damages to government vehicle on 15 April 2018

Vehicle	2316
Cost of damages	\$ 9,200

Details:

Based on the investigation, there is insufficient evidence to confirm a person responsible for damages to vehicle 2316.

MOF Recommendations:

The MOP should meet costs of damages due to insufficient evidence to confirm who's responsible for damages. ACEO – Corporate Services Division as the responsible manager for all

public properties under MOP should strengthen internal controls over the management of all public properties as implications on recovering loss to the government will incur if their role is not properly adhered to. Investigations should be separately performed by the CSD to confirm details of damages and person responsible for damages for recovery of costs of damages and/or loss to government.

A4. Damages to government vehicle on 12 June 2018

Vehicle	POL36
Cost of damages	\$ 2,900

Details:

Vehicle POL36 was driven by the designated driver at the time of the incident. The driver is responsible for damages. The total cost of repairing the damages is \$2,900.

MOF Recommendations:

Since the driver of POL36 is responsible for damages caused he is also liable to surcharge under section 111 (1) of the PFM Act 2001.

A5. Damages to government vehicle on 6 September 2018

Vehicle	POL76
Cost of damages	\$ 1,500

Details:

Vehicle POL76 has been damaged and the authorized driver is not responsible for the damage. There is insufficient evidence and information to confirm the person responsible for the damage. POL76 is insured with the excess amount of \$500.

MOF Recommendations:

MOF recommended MOP to pay the excess fee of \$500 to the insurance company since the responsible person for the damage cannot be identified.

A6. Damages to government vehicle on 14 November 2018

Vehicle	POL51
Cost of damages	\$ 5,250

Details:

Vehicle POL51 has been damaged and the authorized driver is responsible for it. He did not exercise proper care in handling the vehicle which resulted to its damage. POL51 is insured with the excess amount of \$500.

MOF Recommendations:

Since the driver of POL51 is responsible for damages caused he is also liable to surcharge (of \$500) under section 111 (1) of the PFM Act 2001.

A7. Damages to government vehicle on 12 September 2017

Vehicle	POL56
Cost of damages	Unknown

Details:

This IR was received by Audit Office on the 9th August 2018. An employee was instructed by his supervisor to drive POL56 to escort a cycling event from Siumu to Mulifanua at around 4am when the incident took place. The driver had been working for at least 18 hours on 11 September 2017 and had not enough rest from a previous escort and Forum during the previous week. The driver is not directly responsible for the damages to the vehicle POL56 given the circumstances he was instructed to drive the said vehicle.

MOF Recommendations:

The MOF wishes to record its concerns for the circumstances under which the driver was instructed to drive the vehicle. There are occupational health and safety requirements which must be complied with, not only for the protection of public property but more importantly for the safety of employees. The Ministry of Finance advise that it is in the Ministry and the Government's interest that the ministry ensures it has proper procedures and process in place for compliance with these requirements.

A8. Damages to government vehicle on 30 October 2017

Vehicle	POL71
Cost of damages	\$ 800

Details:

Vehicle POL71 was driven by a constable at the time of the incident. The driver is not responsible for damages but the third party is. POL71 is insured with the excess amount of \$500.

MOF Recommendations:

Since the third party is responsible for damages caused to government vehicle, MOP is recommended to pay the excess fee of \$500 for total cost of repairs \$800 covered by the insurance company and seek compensation from third party through the AG's office.

A9. Damages to government vehicle on 21 November 2017

Vehicle	POL51
Cost of damages	\$ 175

Details:

This IR was received by Audit Office on the 8th November 2018. Vehicle POL51 was driven by a constable at the time of the incident. The driver is not responsible for damages but the third party is. POL51 is insured with the excess fee of \$500.

MOF Recommendations:

Since the third party is responsible for damages caused to the government vehicle, MOP should cover the cost of repairs as it is below the excess fee and seek compensation from the third party through the office of the Attorney General in liaison with MOF.

A10. Damages to government vehicle on 6 December 2017

Vehicle	POL16
Cost of damages	\$ 800

Details:

The vehicle POL16 was driven by a corporal at the time of the incident. The driver is not responsible for damages but the third party. The total cost of repairing the damages is \$800. POL16 is insured with the excess fee of \$500.

MOF Recommendations:

Since the third party is responsible for damages caused to POL16, MOP should pay the cost of the excess fee to the insurance company for covering the cost of repairs and seek compensation from the third party through the Office of the Attorney General.

Police– Summary of IRs reported

Type A	
IRs relating to FY18/19	2
Total cost of damages/loss reported	\$ 23,085.00
Repairs (to be) covered by insurance	\$ 23,085.00
Repairs (to be) paid for by government	\$ 9,375.00
Insurance excess fees (to be) paid by government	\$ 1,500.00
Repairs (to be) paid by or recovered from employee(s) (including surcharges)	\$ 1,000.00
Repairs (to be) paid by or recovered from third party	\$ 1,000.00
Type B	
IRs relating to previous FYs	-
Total (known) costs of damages/loss reported	\$

Total IRs	
Type A	10
	10
Total IRs relating to FY18/19 reported	
	2
Total IRs relating to previous FYs	
	8
Total (known) cost of damages/loss reported	
	\$ 23,085.00
Total repairs (to be) covered by insurance	
	\$ 23,085.00
Total repairs (to be) paid for by government	
	\$ 9,375.00
Total insurance excess fees (to be) paid by government	
	\$ 1,500.00
Total repairs (to be) paid by or recovered from employee(s) (including surcharges)	
	\$ 1,000.00
Repairs (to be) paid by or recovered from third party	
	\$1,000.00

10. Ministry of Prime Minister and Cabinet

Type A: Vehicle Parts and Repairs

A1. Damages to government vehicle

Vehicle	MPMC03
Cost of damages	\$ 178.00

Details:

This was reported on the 3rd January 2018. The antenna for vehicle MPMC03 has been damaged. There is insufficient evidence and information to confirm the responsible person for the damaged antenna. MPMC03 is insured with the excess fee of \$500.

MOF Recommendations:

Since the responsible person for the damaged antenna of vehicle MPMC03 cannot be identified, the Ministry should meet the cost of a new replacement antenna as the cost of \$178 is below the excess fee of \$500.

The investigation is now closed.

11. Ministry of Women Community & Social Development

Type A: Vehicle Parts and Repairs

A1. Damages to government vehicle on 24 May 2018

Vehicle	MWCD16
Cost of damages	\$ 1,700

Details:

This IR was received by Audit on the 14th June 2018. The accident took place at Falelauniu on the night after the farewell with the former CEO of the ministry; the designated driver and the other ministry driver plus another staff member had a drinking session at night which had resulted in a fight amongst themselves and had caused the damage to the main windscreen of the vehicle. Another person was involved in the fight which is the brother of the designated driver. The two drivers and one staff member were interviewed the next morning regarding the incident and they blamed one another. The designated driver also suspected the other ministry driver to have been smoking marijuana the night of the incident which causes his violent behavior.

MOF Recommendations:

Both drivers was recommended to be terminated immediately given the risk of repeating the same incident in the near future is very high. The cost of more accidents occurring in the future is likely to outweigh any benefits of retaining these types of staff members particularly the involvement of drugs such as marijuana. It was also recommended to issue a final warning to one of the staff member for his involvement in the matter.