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MILLENNIUM CHALLENGE ACCOUNT - MCA NIGER

Boulevard Mali Béro, Face Lycée Bosso, Niamey BP: 738, Niamey, Niger

MANAGEMENT LETTER

Final Report

Financial audit of the Millennium Challenge Corporation (MCC) Resources managed by the Millenium Challenge Account-Niger (MCA Niger) under the Compact Agreement between MCC and the Government of Niger

Audit period: April 01, 2021 to March 31, 2022

August 17, 2022

MCA Niger
Management Letter
Period of April 01,
2021 to March 31,
2022



KANEYE | MANAGEMENT | CONSULTING

BP 11160, Niamey-Niger

Téléphone (227) 20 73 87 05- Télécopie (227) 20 73 73 99

Site web: www.kmc-ac.com –Email: contact@kmc-ac.com

INSCRIT AU TABLEAU DE L'ORDRE DES EXPERTS COMPTABLES DU NIGER

Contents	Pages
Management Letter on internal control.....	4
1. Internal control findings identified during the audit.....	7
1.1 General organization.....	7
1.1.1 Internal correspondence transfer	7
1.2 Assets management	8
1.2.1 Physical inventory.....	8
1.3 Stock management	9
1.3.1 Entry vouchers inventories	9
1.3.2 Exit inventories sheet	10
1.3.3 Inventories register	11
1.4 Procurement	12
2. Follow-up on previous year issues	20
2.1. FOLLOW-UP ON PRIOR AUDIT RECOMMENDATIONS FOR BASE PERIOD FROM OCTOBER 1, 2020 TO MARCH 31, 2021	20
2.2. FOLLOW-UP ON PRIOR AUDIT RECOMMENDATIONS FOR OPTIONAL PERIOD#4 FROM APRIL 1, 2020 TO SEPTEMBER 30, 2020.....	29
2.3. FOLLOW-UP ON PRIOR AUDIT RECOMMENDATIONS FOR OPTIONAL PERIOD#3	31

MANAGEMENT LETTER ON INTERNAL CONTROL

To

Mr. ABANI Sani Ibrahim

Chairman, MCA-Niger Board of Directors

MCA-Niger

Boulevard Mali Béro, Face Lycée Bosso Niamey, Niger

BP. 738 Niamey – Niger (Republic of Niger)

Tel: (+227) 20 35 08 15 Email: info@mcaniger.ne

Dear Sir,

We have completed our audit of the financial statements of MCA-Niger for the period from April 01, 2021 to March 31, 2022. We conducted the audit in accordance with American Institute of Certified Public Accountants (AICPA) Statements on Auditing Standards (SAS). Those standards require that we plan and perform the audit to obtain reasonable assurance that the Financial Statements (which include the Fund Accountability Statements) are free of material misstatements but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit is conducted to enable us to form and express an opinion on the financial statements that have been prepared by management with the oversight of the Executive Board. The audit of the financial statements does not relieve management or the Executive Board of their responsibilities.

However, in accordance with our normal practice, we write to draw your attention to certain matters that we identified during our audit for the period from April 1, 2021 to March 31, 2022. Those issues are set out in the attached report. Management responses have been provided through the coordination of the concerned Department.

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We would like to thank the management, FA, PA and staff of MCA-Niger for their assistance and co-operation during the audit. We would be pleased to provide any clarification that you may require on the issues raised in this report.

August 17, 2022

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KMC S.A.

Niamey | Niger

The table below presents a summary of the audit findings:

No	Title	Page
1	Absence of internal correspondences register	7
2	The physical fixed assets inventory not performed	8
3	Absence of entry inventories vouchers	9
4	Exit inventories sheets not numbered and not approved by Manager	10
5	The template of inventory record does not show entries and exit documents references	11
6	Issues on tender documents	12
7	Issues related to tender opening minutes and evaluation reports	15
8	Quality of contracts findings	19

1. INTERNAL CONTROL FINDINGS IDENTIFIED DURING THE AUDIT

1.1 General organization

1.1.1 Internal correspondence transfer

Condition	Criterion	Cause	Consequence	Recommendation	MCA-Niger Management comments	Further Auditor's response
There is no internal transfer register (or notebook) for correspondences to managers and staff.	Best practice	Provision not covered by the procedures	This situation does not allow the proof of transmission of the correspondences to the concerned managers to be materialized. This could lead to a possible dispute by the agent concerned if the mail is lost or forgotten.	We recommend that a register or notebook be set up for the internal transmission of correspondences, to be signed by the agents concerned.	Noted	No additional comments

1.2 Assets management

1.2.1 Physical inventory

Condition	Criterion	Cause	Consequence	Recommendation	MCA-Niger Management comments	Further Auditor's response
<p>We noted that the physical inventory of fixed assets was not performed during the period under review.</p>	<p>Physical Inventory (FAP: 7.3)</p>	<p>Non-compliance with the procedures</p>	<p>This situation does not allow us to ensure the existence and reality of the fixed assets purchased. This does not comply with the MCA Niger procedures manual, which stipulates in point 7.3 that "Physical inventories of MCA-Niger fixed assets and also, those procured by MCA-Niger for Implementing Entity Agreements (IEAs) are made at least once a year".</p>	<p>We recommend that physical inventory be carried out at least once a year.</p>	<p>The physical inventory of assets is in process and will be ended on 31th August 2022</p>	<p>No additional comments</p>

1.3 Stock management

1.3.1 Entry vouchers inventories

Condition	Criterion	Cause	Consequence	Recommendation	MCA-Niger Management comments	Further Auditor's response
We noted, within the framework of inventory management, that stock receipts in the warehouse are not supported (materialized) by receipt slips (or entry vouchers).	Best practices	Provision not covered by the procedures	This situation does not ensure better visibility of the inventory quantities and optimal inventory management.	We recommend that MCA implement the entry voucher system so that each receipt of inventory quantities into the warehouse (store) can be properly accounted for.	Noted	No additional comments

1.3.2 Exit inventories sheet

Condition	Criterion	Cause	Consequence	Recommendation	MCA-Niger Management comments	Further Auditor's response
<p>We noted that the form of the outing sheet "stock removal form" could be improved. Indeed, on this form, there is no provision for the approval of inventory Manager and the person in charge of the store (Logistician), only the beneficiary signs the document. The exit inventories sheets are not numbered.</p>	<p>Best practices</p>	<p>Provision not covered by the procedures</p>	<p>This situation does not allow us to guarantee an optimal management of inventories in store. As a result, the risks of fictitious outflows such as theft or unjustifiable losses could not be circumscribed.</p>	<p>We recommend that MCA Niger ensure that stock release slips are sufficiently filled out. In this regard, when inventories leave the warehouse, they should be supported by a document indicating the references and quantities of products that will reduce the stock, and signed by those involved.</p>	<p>Already Done  Bon de sortie de stock.pdf</p>	<p>No additional comments</p>

1.3.3 Inventories register

Condition	Criterion	Cause	Consequence	Recommendation	MCA-Niger Management comments	Further Auditor's response
<p>MCA has set up an Excel template to record inventory by type. However, the file does not contain the references of the documents of entries and exits in order to proceed to the analysis of their conformity and their coherence.</p>	<p>Best practices</p>	<p>Provision not covered by the procedures</p>	<p>When the inventory tracking file is not sufficiently filled out, it can be difficult to find inventory items. This could limit the avenues for review both internally and externally to make judgments about inventory.</p>	<p>It would be advisable to ensure a better follow-up of inventory through sufficiently filled in sheets based on correctly numbered inventory input-output flow documents.</p>	<p>Already Done</p>	<p>No additional comments</p>

1.4 Procurement

Condition	Criterion	Cause	Consequence	Recommendation	MCA-Niger Management comments	Further Auditor's response
The tender documents						
Limiting technical specifications of the competition in the case of the quotation request for computers (HP EliteBook 840) and vehicles (4.2L, empty weight of 2190kg, laden weight of 3060kg, ground clearance of 230, etc)	P1.A.2.21 Standards and technical specifications quoted in solicitation documents shall promote the broadest possible competition, while assuring the critical performance or other requirements for the goods, works, or non-consulting services (including information systems) under procurement.	Need for standardization of goods	Restriction on competition	Prioritize operating specifications over technical design specifications	These technical specifications are justified by the necessity to standardize our computer equipment, which are HP EliteBook 840 model. As for vehicles, it is well noted.	No additional comments
The request for quotations files indiscriminately gives the criteria for bid admissibility, compliance criteria and post-qualification criteria (similar contracts, Certificate of Performance), omitting substantial criteria: - Acquisition of four (4) 4x4 station wagons - Purchase of (20) twenty laptops - Supply and	P1.A.3.4.2 Requests for quotations shall indicate the description and quantity of the goods or specifications of works or non-consulting services, as well as desired delivery (or completion) time and place. Quotations may be submitted by letter, facsimile, or electronic means.	Simplified procedure	Disqualification for minor errors	Prioritize evaluation criteria: eligibility, compliance and post-qualification Require manufacturer authorization or dealer certification for vehicles.	1/ All our evaluation files contain evaluation criteria. In any case, whether the qualification is prior assessed or later, the result will be identical at the end. In procurement, the evaluation is strictly based on the criteria which are	No additional comments

<p>installation of consumables, materials and medical equipment - Acquisition of school furniture</p>					<p>indicated in the bidding document and known by the candidates.</p> <p>2/ Well noted. The requirement for the manufacturer's authorization must be assessed according to the quantity of vehicles purchased. If the number of vehicles requested is large, consideration may be given to obtain authorization from the manufacturer. On the other hand, if the number of vehicles to be purchased is not large, nothing prevents MCA-Niger from refraining from requesting this</p>
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					manufacturer's authorization, the requirement of which is likely to restrict competition and even create a monopoly. against some bidders.	
No requirement for a bid guarantee in requests for quotations for the acquisition of equipment such as the purchase of vehicles, computer equipment, medical equipment, etc.	P1.A.2.15 The MCA Entity may require a bid security per the SBD used.	Low amount of contracts	Non serious offers	Require bid guarantees to avoid abusive withdrawals of bids and fraud on the required documents	As shopping times are reduced, bid guarantee is not required, which takes longer time to be obtained from banks and this would reduce number of bids. But for vehicles, well noted	No additional comments

Condition	Criterion	Cause	Consequence	Recommendation	MCA-Niger Management comments	Further Auditor's response
Tender opening minutes and evaluation reports						
Unregistered panel set-up notes: Acquisition of mosquito nets and impregnated T-shirts, Reform of the National Statistics System (NSS) in Niger, Realization of a study on the land profiles and the impacts of resettlement on the sites of realization of eighteen (18) livestock markets, Purchase of (20) twenty laptops for the account of MCA-Niger, Acquisition of four (4) 4x4 station wagon vehicles	Best practices	Difficulty in forming evaluation panels	Administrative management problem	Systematically record notes for better follow-up	Well noted The number of shopping's and evaluations has been high and hence that sometimes openings have been delayed and evaluations as well because of conflicting obligations and MCA staff being very busy	No additional comments
Gap between the deadline for submission of proposals and the date of opening of proposals: Purchase of twenty (20) laptops, Acquisition of school furniture, Consultant Gender and Social Inclusion Specialist - Maradi Region,	P1.A.2.58 The time for the bid opening shall be the same as for the deadline for receipt of bids or promptly thereafter, i.e., to allow sufficient time to take the bids to the place announced	For the shopping	Non transparency	Make the deadline for the submission of bids coincide with the date of the bid opening	Well noted The number of shopping's and evaluations has been high and hence that sometimes openings have been delayed and evaluations as well because of conflicting obligations and MCA staff being very busy	No additional comments

<p>Significant gap between the date of submission of proposals (06/07/21) and the start of the evaluation (13/07/21) in particular in the shopping files</p>	<p>Best practices</p>	<p>Difficulty in mobilizing the panel</p>	<p>Selection outside the validity period of the offers</p>	<p>Set up evaluation panels before proposals opening</p>	<p>Well noted The number of shopping's and evaluations has been high and hence that sometimes openings have been delayed and evaluations as well because of conflicting obligations and MCA staff being very busy</p>	<p>No additional comments</p>
<p>In the supply and installation of consumables, materials and medical equipment for the health centers of the PGES Konni project, one candidate withdrew his offer during the evaluation by refusing to justify the information provided (Certificate of completion without supporting documents)</p>	<p>P1.A.1.16 (c) MCC and the MCA Entity have the right to sanction a bidder, supplier, contractor, or sub-contractor, including declaring such party ineligible, either indefinitely or for a stated period of time, to be awarded an MCC-funded contract if at any time either the MCA Entity or MCC determines that the bidder, supplier, contractor, or subcontractor has, directly or through an agent, engaged in coercion, collusion, corruption, fraud, obstruction of investigation into</p>	<p>No verification of documents produced</p>	<p>Non-application of sanctions to not serious candidates</p>	<p>Verify the documents produced by the candidates and apply the provisions relating to sanctions</p>	<p>Indeed, the candidate did not withdraw from the competition. He simply indicated that he was unable to provide the requested information in time</p>	<p>No additional comments</p>

	allegations of fraud or corruption, or prohibited practices in competing for, or in executing, such a contract.					
Absence of a performance security in supply and equipment contracts, particularly in the case of the acquisition of 4 vehicles, computer equipment or medical equipment supplies	P1.A.2.53 In contracts for the supply of goods, the need for performance security depends on the market conditions and commercial practice for the particular kind of goods. Suppliers or manufacturers may be required to provide security to protect against nonperformance of the contract and to cover warranty obligations. The security shall be reasonable in amount. The solicitation documents shall specify the arrangements for required performance securities.	Insignificant amount	Non-execution of contracts	Require performance guarantee in supply and equipment contracts	Well noted. Will take recommendation and agree to require performance guarantees for any purchase of vehicles.	No additional comments

<p>In the file for the supply and installation of consumables, materials and medical equipment for the health centers of the PGES Konni-project: some items are reproduced in accordance with the needs without making it possible to clearly identify the brand and model of the goods offered (high-quality cleaning gloves, chrono file, etc.)</p>	<p>Tender documents</p>	<p>Inadequate expression of need</p>	<p>Poor quality of the offer</p>	<p>In the case of industrially produced goods, bidders must specify the brands and models of their proposals</p>	<p>Well noted This will be discussed with project teams</p>	<p>No additional comments</p>
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Condition	Criterion	Cause	Consequence	Recommendation	MCA-Niger Management comments	Further Auditor's response
Quality of contracts						
Contract No. ADM.IT/41/G.286/21 provides that the contractor "shall provide samples of the items for validation prior to final delivery".	P1.A.2.40 a) Contracts for the supply of goods shall provide for full payment on the delivery and inspection, if so required, of the contracted goods except for contracts involving installation, commissioning, and testing, in which case a portion of the payment may be made after the supplier has complied with all its obligations under the contract	Quantity of goods to be received	Poor quality of goods delivered without inspection	All equipment must be technically checked (inspected) in order to identify it for inclusion in the stock records.	Well noted This will be discussed with Contract Managers	No additional comments
None of the contracts audited were registered with the competent national authorities.	Compact agreement	Non-compliance with the provisions of the Compact agreement	Loss of tax resources	Obtain registration of all contracts entered into under the Program	Some of the contracts are registered. We'll put in place a mechanism of registration.	No additional comments

2. FOLLOW-UP ON PREVIOUS YEAR ISSUES

The situation of the previous recommendations not implemented is as follows:

2.1. FOLLOW-UP ON PRIOR AUDIT RECOMMENDATIONS FOR BASE PERIOD FROM OCTOBER 1, 2020 TO MARCH 31, 2021

N°	Previous Recommendations	Implementation			Auditor comments	MCA Niger Management comments
		YES	NO	Partially		
1.1 General organization						
1.1.1 Internal audit manual						
6	<p>Findings There is no internal audit manual describing policies and procedures to guide the internal audit activity</p> <p>Recommendations MCA Niger must establish rules and procedures providing a framework for the internal audit activity</p>	X			The internal audit manual has been developed	The internal audit manual was developed and signed in November 2021.
1.1.2 Job description (JD)						
6	<p>Findings The job descriptions were not signed.</p> <p>Recommendations Taking the necessary measures so that the job descriptions are signed jointly by the employee and his supervisor and filed in the individual personnel files and the agent keeps a copy.</p>	X			The job descriptions have been signed	Since 2021, we have duplicated this information with a full-fledged JD that is also signed by the staff.

1.2 Accounting and information system						
1.2.1 Justification of advances						
6	<p>Findings We noted cases of delay in the justification of advances of funds made to certain employees and partners related to the activities carried out under the program</p> <p>Recommendations Urgent measures should be taken to justify them and bring to the attention of partners the need to justify the funds advanced in accordance with the procedures in order to optimize the management of the funds and their goals</p>			X	Partially implemented	Partially done Reminder letters are sent to partners for compliance with justification deadlines.
1.3 HR-management (Visas on certain employee contract)						
6	<p>Findings Certain staff contracts of MCA Niger were not stamped by the National Agency for the Promotion of Employment (ANPE).</p> <p>Recommendations We recommend that MCA Niger systematically get stamped staff employment contracts with the relevant services, in order to avoid the risks mentioned above.</p>			X	Not implemented	For ANPE visas on contracts, nothing needs to be done because, except to change the clauses that regulate this issue in the agreements between Niger and the USA.
1.4 Cash management						
1.4.1 Surprise cash counts						
6	<p>Findings MCA Niger did not carry out an unannounced check of the petty cash</p> <p>Recommendations It is important to follow the procedures in place for the surprise cash counts which will be evidenced by a counting report.</p>	X			Implemented	An unannounced check of the petty cash is done regularly

1.4.2 Minimum threshold of the petty cash						
6	<p>Findings A floor of the petty cash had not been defined.</p> <p>Recommendations Setting a minimum level of petty cash</p>	X			Implemented	Done
1.4.3 Exit and receipt vouchers						
6	<p>Findings An exit cash voucher is set up, but which is not pre-numbered. However, there is no document to materialize the entry of the amount in the petty cash.</p> <p>Recommendations Ensuring the use of pre-numbered exit vouchers and setting up a cash receipt voucher</p>	X			Implemented	Done
1.5 NPC purchase (register of approved suppliers)						
6	<p>Findings MCA Niger does not have a list of approved suppliers to consult for the purchase of NPC.</p> <p>Recommendations Setting up a list of approved suppliers for NPC purchases through the price quotation procedure from the various suppliers.</p>			X	Partially implemented	A list of suppliers has been drawn up and its updating is in progress.
1.6 Fixed asset management						
1.6.1 Asset coding						
6	<p>Findings Certain assets (computers) acquired in the first quarter of 2021 are not physically marked.</p> <p>Recommendations MCA Niger should codify all of its capital assets, update the capital asset registry, and pay particular attention to regular (monthly) reconciliation between accounting and capital register data.</p>			X	In progress	We will use the results of ongoing physical inventory of assets with the support of the consultant to implement all the recommendations

1.6.2 Asset register						
6	<p>Findings Information relating to the status and identity of the user is not included in the asset tracking register.</p> <p>Recommendations Improve fixed assets sheet by adding details like: status and identity of the user.</p>			X	In progress	We will use the results of ongoing physical inventory of assets with the support of the consultant to implement all the recommendations
1.6.3 Vehicle log books						
6	<p>Findings Some pages of the vehicle logs do not bear signatures (driver, supervisors).</p> <p>Recommendations Ensure that the vehicle logs are signed by the driver and his supervisor</p>	X			Implemented	Done

1.7 Procurement						
1.7.1 Procedures						
1	<p>Findings The shopping procedures are based on restricted consultations of providers. This pre-selection does not always take into account the qualification of the provider</p> <p>Recommendations Update the database and ensure its dissemination</p>	X			Implemented	The data base of provides has been updated
2	<p>Findings The number of participants is sometimes limited and does not exceed 3 bidders in the case of direct purchases following restricted consultations</p> <p>Recommendations Publish specific notices on the MCA-Niger and Niger Emploi websites and in a local newspaper (Sahel)</p>			X	Partially implemented	Specific notices for quotations are published on the Niger Emploi website and the MCA-Niger website. But the problem persists for short lists where often the number rarely reaches four.
3	<p>Findings Advertising is done mainly on local websites (MCA-Niger and NigerEmploi) whereas the Directive recommends to publish also in a local newspaper</p> <p>Recommendations Proceed with the publication of specific notices in a local newspaper</p>		X		Not implemented	Negotiations with Sahel Dimanche will begin to resume publications
1.7.2 Tender documents						
1	<p>Findings The tender documents are subject to numerous modifications: IR/RMA/3/W.0204/20 CR/PRAPS/5/G.0193/20</p> <p>Recommendations Systematic review of all files related to the acquisition of all goods and services</p>	X			Implemented	A PA agent has been dedicated to safeguard the final documents and archive them

2	<p>Findings Error in the elaboration of the file related computer equipment purchase for the PRAPS by omitting a lot (CRA)</p> <p>Recommendations Organize a formal review of the file with the heads of the technical departments</p>	X			Implemented	A PA agent provides quality control and review of procurement and archive documents.
1.7.3 Tender opening minutes and evaluation reports						
1	<p>Findings Discrepancy between the submission dates and the opening date of the bids in: ADM/Esp/IC.0196/20 IR/Msm/1/Shop/G.0229/21 ADM/41/G.0211/20 CR/PRAPS/5/G.0193/20</p> <p>Recommendations The deadline for submission of bids must coincide with the bid opening date</p>	X			Implemented	All openings take place maximum one to two hours after the deadline for submission
2	<p>Findings Conclusion of the report is not in line with the final decision: CR/PRAPS/1/G.0226/21</p> <p>Recommendations Invite the panelists to return to their work to incorporate MCC's observations and recommendations</p>	X			Implemented	MCC recommendations have been incorporated into the second report which received the NO of MCC and sent to KMC on October 11th. 2021.
3	<p>Findings Discrepancy between the submission dates and the opening date of the bids in: ADM/Esp/IC.0196/20 IR/Msm/1/Shop/G.0229/21 ADM/41/G.0211/20 CR/PRAPS/5/G.0193/20 The Technical Evaluation Report (RET) concluded that 2 applicants were qualified, while the Combined Report evaluated 3 compliant bidders. The RET appears to have incorporated MCC's recommendations while the Combined Evaluation Report did not.</p> <p>Recommendations Invite the panelists to return to their work to incorporate MCC's observations and recommendations</p>	X			Implemented	See comments as above.

4	<p>Findings Supply and installation of a 50 KVA generator and construction of a shelter for the generator for the PRAPS regional office: Material error on the Evaluation Report concerning the amount allocated to the activity which is \$19,000 instead of \$19,000,000 and misapplication of the evaluation criterion concerning the delivery time</p> <p>Recommendations Correct the report and train the panelists in the use of the different evaluation methods</p>	X			Implemented	Done
5	<p>Findings As part of the evaluation of the contract IR/Msm/1/Shop/G.0229/21, The Technical Review Committee took the entire budget of \$107,300 for the price reasonableness determination when the amount for PRAPS is \$74,259.98</p> <p>Recommendations More attention to avoid these serious misjudgments</p>	X			Implemented	Quality reviews are planned on procurement files to avoid these types of errors
6	<p>Findings Lack of precision in the technical specifications proposed by the bidders in their offers, particularly in the shoppings (generator, office supplies, absence of brand, model, prospectus or catalog, etc.); the bidders copy the specifications requested without specifying certain cases</p> <p>Recommendations The tenderer's technical offer must include the brand, model and type of goods to identify them in the case of industrially produced goods, otherwise they will be eliminated</p>	X			Implemented	Not only are the specifications verified and compliant with a mark and supporting documentation

7	<p>Findings In the report on the opening of financial bids for the Support for Agricultural Intensification in the Dosso CRA region, the bidder ADL did not submit a bid for lot 12, even though it was evaluated according to a competing candidate</p> <p>Recommendations Respond in the said Report by providing information confirming ADL's participation in Lot 12</p>	X			Implemented	ADL has successfully bid for Lot 12. ADL's technical and financial proposals for Lot 12 are attached to the email
1.7.4 Quality of contracts						
1	<p>Findings The file of the individual consultant Mahamadou Kabirou IBRAHIM DAN BARIAH does not contain a contract negotiation report</p> <p>Recommendations Negotiation of technical and financial offers must be conducted with all successful bidders in order to minimize difficulties in the execution of the contract</p>	X			Implemented	With all individual consultants, since then, minutes of negotiations are signed
2	<p>Findings In the context of the recruitment of an NGO to support agricultural intensification in the Dosso CRA region, there is a negotiation report that was not signed by the parties because its content was contested by the bidder</p> <p>Recommendations The content of the contract must reflect the discussions held and must result in agreement or disagreement. Even if there is disagreement, the minutes must be signed if they reflect the disagreement between the parties. Therefore, the content of the minutes must reflect the discussions held</p>	X			Implemented	Done
3	<p>Findings The ADL contract contains an error on the amount of the contract. Indeed, the amount in letters and numbers do not coincide. On all documents, the amount is estimated at 1,027,000,000 F CFA, except in the contract where the amount in words is one billion twenty million (1,020,000,000) F CFA.</p>		X		Not implemented	The PA agrees to correct the contract amount. However, the Project will have to issue a Memo to proceed with the correction.

	<p>Recommendations To proceed with the establishment of an amendment to correct the amount of the contract</p>					
4	<p>Findings Amendments are negotiated to fix the starting point of the contractual period</p> <p>Recommendations Arrangements should be made to set the deadlines and the terms of their implementation in the specifications to avoid their modification during the execution of the contract</p>			X	Partially implemented	The PA agrees that this point must be clarified at the level of the contract in a definitive manner. That said, the amendment request does not issue from the PA but from the Project team
5	<p>Findings None of the contracts audited were registered with the competent national authorities</p> <p>Recommendations Obtain registration of all contracts entered into under the Program</p>	X			Implemented	All contractors register their contract with the DGI
6	<p>Findings Amendments have noted the postponement of deadlines for the production of performance guarantees (call for tender for vaccines, laboratory equipment, etc.)</p> <p>Recommendations Minimize the number of amendments per contract by improving the terms of the specifications and negotiations prior to contract signing</p>			X	Partially implemented	This point is taken into account, but there are still a few rare exceptions that we deal with.

2.2. FOLLOW-UP ON PRIOR AUDIT RECOMMENDATIONS FOR OPTIONAL PERIOD#4 FROM APRIL 1, 2020 TO SEPTEMBER 30, 2020

N°	Previous Recommendations	Implementation			Auditor comments	MCA Niger Management comments
		YES	NO	Partially		
2.3. Information Technology System and Security						
2.3.3 Contingency planning						
6	<p>Findings Business continuity issue</p> <p>Recommendations Update the Business Continuity Plan with a Business Impact Assessment (BIA) that identifies: - critical resources to be restored to degraded mode first; - acceptable downtime for information system activities; - acceptable data loss.</p>	X			The Business Continuity Plan has been updated	This is fully addressed in the MCA_IT Business Continuity Plan_v1.0 developed and approved by the MCC (MIS) and applicable globally across all the MCAs. The plan includes critical resources, acceptable downtime, and description of the major activities and responsibilities that take place in the event of a disaster or an unplanned disruption in service. These activities are performed in collaboration with MCA management and the IT Team.
7	<p>Findings Problem of clarity in the procedures contained in the Business Continuity Plan (BCP)</p> <p>Recommendations Update the procedures in the Business Continuity Plan by describing each activity and assigning a responsible person to each task. Clearly specify at each step the sub- procedures involved.</p>	X			Implemented	Same as above

8	<p>Findings Problem related to the storage of the backup of the website</p> <p>Recommendations The communication unit in charge of managing the website must make arrangements to store a copy of the website backup off-site or in a fireproof safe.</p>	X			Implemented	<p>This is fully addressed and three (3) copies of the website backup are available from the following sources: share drive, external drive (kept in a fireproof safe) and tapes including off-site (in a local bank).</p>
2.3.4 Safety Management						
9	<p>Findings Staff safety is at risk in the event of fire.</p> <p>Recommendations Regularly train staff on how to evacuate the building safely and in a timely manner;</p> <p>Post signs indicating the assembly point in the various areas designated for this purpose.</p>	X			Implemented	<p>Simulations of the real evacuation of the building are periodically organized. The last simulation performed on Friday 09/24/2021. The next simulation is scheduled for December-January 2022.</p> <p>The signs indicating the 3 assembly points have been in place since May 2022.</p>

2.3. FOLLOW-UP ON PRIOR AUDIT RECOMMENDATIONS FOR OPTIONAL PERIOD#3

N°	Findings	Implementation			Auditor comments	MCA Niger Management comments
		YES	NO	Partially		
1.1 Program Governance						
	1.1.1 Failure of the Audit and Conformity Manager to Report Back Assignments to the Chairman of the Board of Directors					
1	<p>Findings The Audit and Compliance Manager depends on the Managing Director and does not report on its work to the Board of Directors, which, among other responsibilities, is involved in overseeing the implementation of an effective system of internal control.</p> <p>Recommendations The Audit and Compliance Manager has to report on its assignments to the Board of Directors. In that way, this role strengthens his independence.</p>	X			The Audit and Compliance Manager depends on the Managing Director and report on its work to the Board of Directors	Since September 2021, internal audit now participates in the Board of Directors and reports its conclusions to date to the Management Committee and soon to the Board since it is held quarterly. The Pvs of the upcoming CAs will be communicated to you during your next intervention.

1.1.2 Departure on Leave of Several Department Heads at the Same Time						
	<p>Findings Proposals for departmental leave plans are consolidated by the Director of Finance and Administration and are not subject to arbitration within the Management Committee.</p> <p>Recommendations Proceed with the adoption of the leave plan in Management Committee to consider service requirements within the Program as a whole.</p>	X			Implemented	Done
1.1.3 Appointment of Members of the Government Sitting on the Board of Directors not in Accordance with the Planned Provisions						
	<p>Findings The empowering document of Board's members is not signed by the President of the Republic or the Prime Minister. Indeed, it is by the letter n ° 00775 / DIRCAB / PM of March 31, 2017 signed by the Prime Minister's Chief of Office of Niger that he communicated to the Deputy Director of the Office of the President of the Republic, the list of Government representatives appointed to sit on MCA-Niger's Board of Directors.</p> <p>Recommendations It is imperative that MCA-Niger respects the provisions of the Bylaw regarding the appointment of the members of the Program's bodies.</p>			X	In progress	A correspondence dated June 04, 2021 was sent by the PCA of MCA-Niger to the Prime Minister with a view to formalizing the new composition of the members of the Board

1.1.4 Non-Compliance with the Provisions of the Compact and the Bylaws: Establishment of Stakeholder Committees						
	<p>Findings The Stakeholder Committees are not set up to enable them to play their role of informing the various groups on the implementation of the program and to provide advice and input to MCA-Niger.</p> <p>Recommendations The Management will have to set up the Stakeholder Committees as stipulated in the Compact and the Bylaws.</p>		X		Not applicable	There is a waiver letter from MCC exempting MCA-Niger from the requirement to establish a stakeholder committee (attachment is a scan of the letter).
1.1.7 Stakeholders and Tools of the Quality Management						
	<p>Findings The framework and authorities provided for in the Quality Management Manual are not in place.</p> <p>Recommendations Define the framework and set up the quality assurance management bodies.</p>	X			The framework and authorities provided for in the Quality Management Manual have been defined.	Below is the manual  UNOPS_PMC-458-M anuel-qualite-MCA-Ni
1.1.8 The Work's Plan of the Director of Finance and Administration is Not Set Up Yet						
	<p>Findings The Director of Finance and Administration's work plan is not developed in MS Project in order to ensure that its content is better taken into account by the competent services.</p> <p>Recommendations Develop the Director of Finance and Administration MS Project work plan.</p>	X			The Director of Finance and Administration's work plan is developed in MS Project	The DAF work plan is now developed in MS Project.

1.1.9 Minutes of Board sessions are not Posted on the MCA-Niger Website						
	<p>Findings The minutes of the January, April, and September 2020 Board sessions are not posted on the MCA-Niger website.</p> <p>Recommendations The Legal Affairs Department shall ensure that all minutes of the sessions are translated into at least English and posted in both French and English on the MCA-Niger website within two weeks of the Board meeting.</p>	X			<p>The minutes of the January, April, and September 2020 Board sessions are posted on the MCA-Niger website.</p>	<p>Currently, all minutes of board sessions are posted on the MCA-Niger website</p>
1.1.10 The contract for data quality review of the M&E plan was signed on September 24th, 2020 for that effect. The process on quality review is thus being carried out.						
	<p>Findings The initial quality review to be carried out during the first year of program implementation is not effective.</p> <p>Recommendations Carry out the initial quality review planned for the first year of program implementation.</p>	X			<p>Implemented</p>	<p>The data quality review of the monitoring and evaluation plan has an annual scope and is implemented through the RQD contract carried out by IDEA. This contract through a firm phase and two optional phases is implemented over several years including the 1st year of implementation. See inception report and Deliverable 1</p>

1.1.11 Default of Capacity Building Trainings in Monitoring and Evaluation						
	<p>Findings Capacity building trainings for key actors in monitoring and evaluation are not carried out.</p> <p>Recommendations Initiate capacity building trainings in monitoring and evaluation for the main actors of the Program.</p>	X			Implemented	Since 2021, capacity building sessions have been carried out for regional actors in program monitoring and evaluation. The latest date from May and June 2022. See the report
1.1.12 No Formal Designation of the Point of Contact						
	<p>Findings The Post-Impact Point of Contact (POC) that should be selected at the outset of the program is not identified.</p> <p>Recommendations Work towards the formal designation of the Point of Contact (POC) for the post-compact period.</p>		X		Not applicable for this period	The compact has one year additional, which is the 6 th year. The POC is supposed to be in place 15 months before the end of the Compact. Therefore the POC should be in place in September 2022.

1.1.13 Annual Review of the Monitoring and Evaluation Plan						
	<p>Findings The second annual review of the monitoring and evaluation plan to be carried out between October and December 2019 is not carried out.</p> <p>Recommendations Carry out the second review of the monitoring- evaluation plan within a reasonable timeframe, as provided for in the Program's monitoring and evaluation plan.</p>	X			Implemented	The second review of the monitoring and evaluation plan was carried out in 2020. Since then, the two annual reviews of the monitoring and evaluation plan are carried out within the prescribed period of two months. See attached file
1.2 Payroll						
1.2.1 Failure to Update the Employer's Register						
	<p>Findings The employer's register kept by the Human Resources Department is not updated. Only leaflet #1 is filled in. Leaflet 2 does not contain any information.</p> <p>Recommendations MCA-Niger should comply with the provisions of the Labor Code.</p>	X			Implemented	As for leaflets 2 and 3, the law allows them to be computerized and this is what MCA has done through the implementation of HRM software. "Article 558 Labor Code: The employer may, on his own initiative, keep in computerized form the first and second parts of the register, provided that the information contained therein is fully and easily accessible to the inspector or any other person authorized by law or regulation. To this end, the employer is required to immediately communicate the access code to the labor inspector.

1.2.2 Staff Records are not Updated						
	Findings The review of personnel files revealed that some files are not updated.	X			Implemented	Done
	Recommendations Update the staff records.					
1.3 Information Technology System and Security						
1.3.1 Lack of Adequate Training for the Management and Administration of the Surveillance Camera Security System						
	Findings Lack of adequate training for the management and administration of the surveillance camera security system.			X	Partially implemented	At the time of installation of video surveillance, the security manager received sufficient training for its use from the company that provided the service. In addition, a maintenance contract has been signed with the company.
	Recommendations Proceed to the training of the security team on the management of the surveillance camera system.					
1.3.2 The management of camera installations is not properly monitored						
	Findings There is no maintenance contract between MCA-Niger and the service provider who installed the surveillance cameras.	X			There is no maintenance contract between MCA-Niger and the service provider who installed the surveillance cameras.	The contract is signed
	Recommendations Sign a maintenance contract with the service provider in charge of the installations of the surveillance cameras in order to ensure proper monitoring of the equipment.					

1.4 Procurement							
The recommendations made during the previous audit (option #3) could not be implemented due to the timeframe of the mission (September 2020 and report submitted in December 2020). Indeed, the procurement process and even the signature of all the contracts awarded for the period from April to September 2020 had already begun before the start of the mission of option #3. As a result, the recommendations for both phases (option #3 and option #4) will be assessed during the next audit.							
1.5 Fixed Assets Identification							
1.5.1 Default of Coding of Fixed Assets							
	<p>Findings Some fixed assets (Chairs, projector, tables, etc...) of MCA-Niger are not coded as indicated and specified in the Fiscal Accountability Plan (FAP). Other fixed assets (Printer, laptops, etc...) still have the old coding.</p> <p>Lack of asset card listing all the assets made available to them in the framework of the tasks and activities to be performed for MCA-Niger.</p> <p>Recommendations MCA-Niger needs to comply with the fixed asset identification and coding procedure as described in the Fiscal Accountability Plan (FAP).</p>				X	In progress	These points are being corrected in the current inventory, the end of which is scheduled for the end of August 2022