



REGIONAL CENTER FOR ENERGY AND ENVIRONMENTAL SUSTAINABILITY

(RCEES)

PROJECT ID: 6389-GH

PROCUREMENT REPORT

FOR THE YEAR ENDED 31st DECEMBER, 2021

UNIVERSITY OF ENERGY AND NATURAL RESOURCES

MINISTRY OF FINANCE (MoF)

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (IBRD)

WORLD BANK

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8th June , 2022

The Centre Leader,
Regional Centre for Energy and Environmental Sustainability (RCEES)
University of Energy and Natural Resources
P.O. Box 214,
Sunyani, Ghana.

Dear Sir,

MANAGEMENT LETTER
REGIONAL CENTER FOR ENERGY AND ENVIRONMENTAL SUSTAINABILITY
(RCEES) ON THE PROCUREMENT AUDIT OF THE FINANCIAL STATEMENT FOR
THE YEAR ENDED 31ST DECEMBER, 2021.

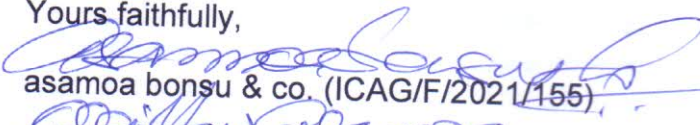
We have completed the Procurement audit of the Financial Statements of Regional Centre for Energy and Environmental Sustainability (RCEES), for the year ended 31st December, 2021.

We draw your attention in this report to certain matters which we identified during the Procurement audit which we consider, require your attention.

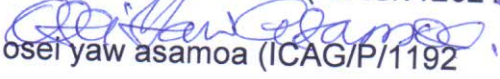
Our report is designed to include recommendations that may help minimise errors and avoid weaknesses that could lead to material losses or misstatements. The Steering Committee and the Management is encouraged to consider these recommendations and to take the actions needed to remedy these weaknesses.

This report was generated from information and records provided by the University Procurement Unit relating to the Centre's procurements. The audit was conducted for the Donors, represented by the Steering Committee and as requirement of the Africa Centre of Excellence (ACE) Development Impact Project funded by the World Bank through the Government of Ghana (GoG) and the report is issued for World Bank and the Government of Ghana (GoG) purpose only and should not be quoted or referred to, in whole or in part, without our prior written consent or by the operation of acceptable law or authority. We accept no responsibility to any third party in relation to the report except as provided in the immediately preceding sentence.

Yours faithfully,



asamoah bonsu & co. (ICAG/F/2021/155)



osei yaw asamoah (ICAG/P/1192)

ASAMOA BONSU & CO.
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1.0 INTRODUCTION AND AGREEMENT

The University of Energy and Natural Resources (UENR), the University, as one of the African universities through the Government of Ghana under the auspices Africa Centre of Excellence (ACE) Development Impact Project won a grant from the World Bank, the Project Agreement was signed on 18th October, 2019 by the Minister of Finance representing the Government of Ghana and Pierrie Laporte the Country Director of Africa Region on behalf of the World Bank.

The University then signed the Performance and Funding Contract with the Ministry of Finance and the Ministry of Education on the same date.

2.0 PROJECT DETAILS

The Project details were as follows:

Heading	Details
Project Name	Africa Centre of Excellence (ACE) Development Impact Project
Participating University	University of Energy and Natural Resources
Credit No.	6389-GH

3.0 PERIOD COVERED BY PROJECT

The Project was to cover a period of five (5) years, from 1st January 2019 – 31st December 2023. The total amount budgeted for the entire Project was SDR 4,608,000.00 (US\$6.4 Million Equivalent, SDR 0.71 = US\$1) for the University. The support was to come from World Bank through Ministry of Finance of the Government of Ghana.

4.0 SUMMARY OF PROJECT FINANCES AND UTILIZATION

The Project received a total grant for the year under review of US\$340,296.00. Additionally, Externally Generated Funds (EGF) of US\$482,784.94 was received bringing the total receipts to US\$823,080.94. Total expenditure incurred amounted to US\$1,113,634.82 leaving deficit balance of US\$290,553.89 which was funded by a previous surplus balance of US\$377,773.33. Out of which the following expenses were incurred on Procurement and methods used listed below:

DATE	AWARDEE	CONTRACT	METHOD	PROCEDURE	AMOUNT US\$
08-Sept-21	Modern Information & Business Solution	Supply of Tonner to the Centre	Request for quotations	Head of Entity	503.32
08-Oct-21	Modern Information & Business Solution	Supply of Executive Swivel Chair to the Centre	Request for quotations	Head of Entity	871.20
11-Oct-21	Sam Bennett Hardware & Co. Ltd	Supply of Vehicle Tyres to Centre	Request for quotations	Head of Entity	1,034.55

06-Dec-21	Modern Information & Business Solution .	Computers Accessories	Request for quotations	Head of Entity	3,726.21
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5.0 Aim of Procurement Audit

To review and comment on the processes, procedures and records engaged by the Centre in the implementation of Procurement activities and functions.

6.0 Sampling of Contracts for Audits

The following procurement were obtained as procurement made for the year and we considered all in the audit.

Data was collected by using documentary evidence. Documents (Tender documents, Award of Contracts, Payment Vouchers, etc.) were examined both the University Procurement Office, Finance office and the Centre.

7.0 PROCUREMENT PROCESS

7.1 Finding

Due to the fact that the Centre is attached to the University and is run by the University it operated using the procedures outlined in the procurement manual approved by the World Bank and the University's established structures and as required by the Public Procurement Act 2003, Act 663 as amended.

These required that the entity had the following structures available:

- a) The Head of Entity
- b) Functional Procurement Unit
- c) Tender Opening Panel (Ad-hoc)
- d) Tender Evaluation Panel (Ad-hoc)

All the required structures were in place to support the procurement activities of the Centre.

7.2 Exception

None.

7.3 Issue

None.

7.4 Recommendation

None.

8.0 PROCUREMENT PLAN

8.1 Finding

Section 21 of the Public Procurement Act 2003, Act 663 amended states that

1) "a procurement entity shall prepare a procurement plan to support its approved programme.

(2) The plan shall indicate

(a) contract packages description or lots,

(b) estimated cost for each package,

(c) the procurement method approvals needed, and

(d) processing steps and times.

(3) A procurement entity shall submit to its entity tender committee not later than one month to the end of the financial year the procurement plan for the following year for approval and shall post the procurement plan on the website of the Authority.

A procurement plan was made available during the audit.

8.2 Exception

None.

8.3 Issue

None

8.4 Recommendation

None.

9.0 PROCUREMENT METHODS

9.1 Finding

Section 34 of the Public Procurement Act 2003. Act 663 as amended states that "the procurement entity may conduct procurement by means of the following methods and as from time to time determined by Regulations:

(a) competitive tendering that includes; (i) international competitive tendering, (ii) national competitive tendering, (iii) request for quotations, and (iv) restricted tendering;

(b) single source procurement; (c) selection of consultants determined by (i) quality and cost based selection, (ii) quality based selection,

Ciii) selection based on consultant's qualification, (iv) least cost selection, (v) fixed budget selection, and (vi) single source selection; and

(d) framework contracting where

(i) the Board in consultation with the Minister, may introduce framework contracting agreements and other methods for any specific entity where the context permits until it is possible to do so nationally; and (ii) a procurement entity may engage in a framework agreement procedure in accordance with regulations or guidelines issued by the Board.

(2) These methods shall be used subject to and in accordance with the thresholds specified in the Fifth Schedule.

9.2 Exception

None.

9.3 Issue

None.

9.4 Recommendation

None.

10.0 SOURCING FOR SUPPLIERS

10.1 Finding

The selection of suppliers for Price Quotation was done by using the supplier database of the Public Procurement Authority.

10.2 Exception

None.

10.3 Issue

None.

10.4 Recommendation

None.

11.0 RECORD KEEPING

11.1 Finding

Section 28 of the Public Procurement Act 2003, (Act 663) as amended states that a procurement entity shall maintain a record of the procurement proceedings containing also the Section 1.10.3 Procurement Manual requires Procurement Unit of the University to keep records of

All documents regarding a particular procurement shall be kept for future reference and monitoring and control purposes. The recommended filing structure for a record of procurement shall include the following documentation:

Original Request from Originating Officer, Correspondence with Originating Officer

Correspondence with Suppliers, Contractors and Consultants/ (pre-order only) Internal Correspondence within Procurement Unit, Requests for Expressions of Interest, Shortlist or Advertisement, Tender documents and Specifications/Terms of Reference, Correspondence with suppliers relating to Tender, Tenders, Quotations or Pro-forma invoices received, Tender opening records, Record of Tender Securities and release, Evaluation Report, Submission to the relevant authority & Minutes of proceeding Notice of Contract Award and publication, Contract/Purchase Order & Acknowledgement of receipt, Delivery/Executions Documentation, Inspection and Acceptance Reports, After sales warranty and performance claims, Copy of Record of Commitment of Funds (A&E Form), Copy of Invoices or Certificates, Copy of Payment Vouchers Manuals.

11.2 Exception

Copies payment vouchers were also not on file.

11.3 Issue

The Procurement Unit did not fully adhere to the records keeping requirement stated in the manual.

Reconciliation of payments made by the finance department and the procurement unit could be affected.

11.4 Recommendation

Management should keep the attendance sheet for all Procurement process on file and made available on request. The Procurement Unit should liaise with the finance department of the University and obtain copies of all payment vouchers and keep them on file.

11.5 Management Response

Recommendation is accepted. The Procurement Directorate shall take copies of the payment vouchers and keep on file.

12.0 Conclusion

In Conclusion the general performance of the Centre for all the audited contracts was assessed to be satisfactory signifying that, the procurement performance of the Centre was good.