

PDA#2-199

SN=60966

NON-FEDERAL AUDIT OF  
THE CONTRACT BETWEEN USAID  
AND MULTI-SERVICES INTERNATIONAL  
UNDER THE AGRICULTURAL PRODUCTION  
SUPPORT PROJECT NO. 685-0269

AUDIT REPORT NO. 7-685-89-03-N

APRIL 27, 1989

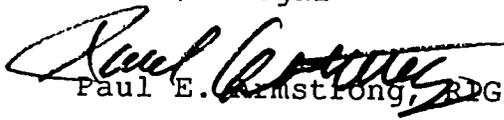
UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
OFFICE OF THE REGIONAL INSPECTOR GENERAL FOR WEST AFRICA

UNITED STATES ADDRESS  
RIG/DAKAR  
AGENCY FOR INTERNATIONAL  
DEVELOPMENT  
WASHINGTON, D.C. 20523

INTERNATIONAL ADDRESS  
RIG/DAKAR  
C/o AMERICAN EMBASSY  
B.P. 49 DAKAR SENEGAL  
WEST AFRICA

April 27, 1989

MEMORANDUM FOR: Sarah Jane Littlefield, Director,  
USAID/Senegal

FROM:  Paul E. Armstrong, RIG/A/Dakar

SUBJECT: Non-Federal Audit of the Contract between  
USAID and Multi-Services International  
Under the Agricultural Production Support  
Project No. 685-0269

The accounting firm of Coopers & Lybrand made a financial and compliance audit of the contract between USAID/Senegal and Multi-Services International under the Agricultural Production Support Project. The audit objectives were to: (i) report on the statement of expenditures totaling CFA 71,191,669 (\$225,290), submitted by Multi-Services International to USAID/Senegal from September 22, 1987 through December 31, 1988; (ii) evaluate Multi-Services International's system of internal controls; and (iii) determine the extent of compliance by Multi-Services International with the terms of its contract with USAID/Senegal and applicable laws and regulations.

Coopers & Lybrand questioned expenditures totaling CFA 1,725,974 (\$5,462) and identified four areas in which internal controls needed strengthening. In particular, the auditors noted gasoline consumption over twice as high as would be expected from normal vehicle usage. They concluded that Multi-Services International substantially complied with applicable laws, regulations and agreements.

The draft audit report was discussed with cognizant Mission officials on April 7, 1989, who subsequently provided us with their written comments. These comments were taken into consideration by the auditors in preparing the attached audit report.

Based on the report submitted to us by Coopers & Lybrand, we are making two recommendations for USAID/Senegal's action.

Recommendation No. 1

We recommend that USAID/Senegal:

- a. recover from Multi-Services International questioned costs totaling CFA 670,457 comprising of:

|                          |         |
|--------------------------|---------|
| lost gasoline coupons    | 74,035  |
| unnecessary tax payments | 544,700 |
| loss of office equipment | 30,672  |
| purchase of luxury pens  | 21,050  |

CFA 670,457

- b. require Multi-Services International to justify questioned fuel consumption charges of CFA 1,055,517 attributable to disproportionately high fuel consumption in relation to recorded mileage, and vehicle usage for non-project activities.

Recommendation No. 2

We recommend that USAID/Senegal require Multi-Services International to strengthen internal controls by:

- a. instituting a more effective monitoring mechanism over vehicle usage and fuel consumption;
- b. establishing a comprehensive administrative and accounting manual;
- c. instituting an appropriate segregation of duties and responsibilities in the ordering, procuring, receiving, and paying for goods and services;
- d. conducting periodic physical inventories of commodities and equipment and reconciling items inventoried to the asset registers.

Please advise within 30 days of actions taken or planned to resolve these recommendations. We take this opportunity to thank your staff for the cooperation and courtesy extended to Coopers & Lybrand in conducting the non-Federal audit.

AUDIT OF  
THE CONTRACT BETWEEN USAID  
AND MULTI-SERVICES INTERNATIONAL UNDER THE  
AGRICULTURAL PRODUCTION SUPPORT PROJECT NO. 685-0269

AUDIT OF THE CONTRACT BETWEEN USAID  
AND MULTI-SERVICES INTERNATIONAL UNDER THE  
AGRICULTURAL PRODUCTION SUPPORT PROJECT  
NO. 685-0269

ACRONYMS

|         |  |
|---------|--|
| USAID   | United States Agency for International Development |
| RIG/A/D | Regional Inspector General for Audit, Dakar        |
| MSI     | Multi-Services International                       |
| APS     | Agricultural Production Support Project            |
| GOS     | Government of Senegal                              |

AUDIT OF THE CONTRACT BETWEEN USAID AND  
MULTI-SERVICES INTERNATIONAL UNDER THE AGRICULTURAL  
PRODUCTION SUPPORT PROJECT NO. 685-0269

TABLE OF CONTENTS

|  | <u>Page</u> |
|--|-------------|
| I. Transmittal letter .....  | 1           |
| A. Background .....  | 2           |
| B. Audit Objectives and Scope .....  | 2           |
| C. Results of audit .....  | 3           |
| II. Report on Statement of expenditures .....  | 5           |
| A. Auditor's opinion .....   | 6           |
| B. Finding .....   | 7           |
| III. Report on Internal Accounting Control .....   | 9           |
| A. Auditor's opinion .....   | 10          |
| B. Findings .....  | 11          |
| IV. Report on Compliance with Applicable .....   |             |
| Laws, Regulations and Agreements .....   | 17          |
| A. Auditor's opinion .....   | 18          |
| Exhibit 1 - Summary of Expenditures<br>Reported by Multi-Services International<br>to USAID from September 22, 1987<br>through December 31, 1988 |             |
| Exhibit 2 - Adjustments on Fuel Consumption  |             |

SECTION I - TRANSMITTAL LETTER

April 25, 1989

Mr. Paul E, Armstrong  
Regional Inspector General for Audit  
Agency for International Development  
Dakar - Senegal

Dear Mr. Armstrong:

This report presents the results of a financial and compliance audit of the costs reimbursed by USAID to Multi-Services International under the Agricultural Production Support Project (No. 685-0269) from September 22, 1987 through December 31, 1988.

A. Background

On February 23, 1987, USAID and the Government of Senegal signed an agreement for the \$20 million APS project. The principal purpose was to increase annual cereal production in the farming sector of Senegal. The project assistance completion date is December 31, 1991.

Technical assistance for the project was to be provided by a U.S. technical services contractor under a host country contract. It was anticipated that the contract would be approved and made operational by April 1989. Consequently, USAID contracted with Multi-Services International to provide administrative and technical support to the APS project, pending the assumption of duties by the technical services contractor.

MSI established a local currency bank account to handle project expenditures which comprised of short term training, commodities, equipment and other operating costs. This account was funded by USAID and reimbursed periodically on basis of expenditure reports submitted to USAID by MSI. As of December 31, 1988 total expenditures reported to USAID by MSI were CFA 71,191,669 (\$225,290).

B. Audit Objectives and Scope

The objectives of the audit were to:

- (i) Determine the allowability and reasonableness of project expenditures billed by MSI to USAID from September 22, 1987 through December 31, 1988.

- (ii) Review and evaluate the project's system of internal controls; and
- (iii) Ascertain whether the project complied with applicable laws, regulations and agreements.

The audit procedures included:

- (i) Reviewing the project grant agreement between USAID and GOS and the contract between USAID and MSI;
- (ii) Examining expenditure reports and related accounting records of MSI to determine whether costs reported were allowable, reasonable and relevant to project activities;
- (iii) Inspecting commodities and equipment for proper usage and maintenance;
- (iv) Reviewing and evaluating the project's system of internal controls in order to determine the extent to which established procedures were functioning as intended; and
- (v) Determining compliance with applicable laws, regulations and agreements.

The audit was conducted in accordance with generally accepted U.S. Government auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures which we considered necessary in the circumstances.

All amounts expressed in local currency (CFA) have been translated into U.S. dollars at the currently prevailing average exchange rate of CFA 316 = \$1.

### C. Results of Audit

#### I - Statement of Expenditures

Our audit of the statement of expenditures reported by Multi-Services International to USAID for the period from September 22, 1987 to December 31, 1988 showed the following:

COSTS (U.S. \$)

| <u>CATEGORY</u>         | <u>REPORTED</u>      | <u>QUESTIONED</u> | <u>ACCEPTED</u>   |
|-------------------------|----------------------|-------------------|-------------------|
| I. Technical Assistance | \$ -0-               | -0-               | -0-               |
| II. Short-Term Training | 21 018               | -0-               | 21 018            |
| III. Commodities        | 30 720               | 3 575             | 27 145            |
| IV. Other Costs         | 173 552              | 1 887             | 171 664           |
| TOTAL                   | <u>\$225 290</u>     | <u>5 462</u>      | <u>219 828</u>    |
|                         | <u>CFA71,191,669</u> | <u>1,725,974</u>  | <u>69,465,695</u> |

These costs are presented in greater detail in Exhibit I of this report.

II - Internal Controls

Our review and evaluation of the Project's internal accounting controls highlighted the following:

- (1) there are expense classification errors;
- (2) there is no administrative and accounting manual;
- (3) there is no adequate segregation of duties and responsibilities;
- (4) the control over project assets is inadequate; and
- (5) there is no appropriate control over vehicle usage and fuel consumption.

III - Compliance with applicable laws, regulations and agreements

Our review of the applicable laws, regulations and agreements showed that the project was substantially in compliance with applicable laws, regulations and agreements.

We take this opportunity to thank USAID and MSI officials for the assistance extended to us in connection with the audit.

Sincerely,

  
Serigne Abdoul Aziz Dieye

SECTION II - REPORT ON STATEMENT OF EXPENDITURES

REPORT ON STATEMENT OF EXPENDITURES

A. AUDITOR'S OPINION

We have examined the statement of expenditures under the Agricultural Production Support Project (No. 685-0269) reported by Multi-Services International to USAID from September 22, 1987 through December 31, 1988.

Costs claimed, costs questioned and costs accepted are summarized in Exhibit 1 of this report.

Our examination was made in accordance with the Guidelines for Financial and Compliance Audits of A.I.D.-financed Agreements, and the provisions of the standards for Audit of Governmental Organization, Programs, Activities and functions (1981 revision) promulgated by the Comptroller General, which pertain to financial and compliance audits.

Our examination was made primarily for the purpose of expressing an opinion on the statement of costs claimed, summarized in Exhibit 1 and included such tests of the accounting records, and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, subject to the resolution of the questioned costs totaling CFA 1,725,974, Exhibit 1 gives a true and fair presentation of the expenditures incurred by Multi-Services International under the Project from September 22, 1987 to December 31, 1988.

April 25, 1989

COOPERS & LYBRAND



Serigne Abdoul Aziz Dieye

B. FINDING

FINDING NO. 1 - QUESTIONED COSTS

Condition

The project was reimbursed questionable costs totaling CFA 1,725,974 (\$5,462). These costs are itemized and explained below.

A. Fuel Consumption Charges - CFA 1,129,552

A review of the project's vehicle usage records showed that:

- Diesel fuel coupons totaling CFA 74,035 were lost.
- Fuel consumption of project vehicles generally exceeded the normal usage rates based on the number of kilometers travelled as shown in the daily vehicle usage records. In addition, those vehicles were utilized on evenings and week-ends when there were no project activities on record. Total computed fuel costs attributable to the above situations were CFA 1,055,517, as shown in Exhibit 2.

B. Employer's Payroll Taxes - CFA 544,700

The grant agreement between USAID and GOS exempted the APS project from all duties and taxes in force under the laws of Senegal. Nevertheless, the project paid "Contribution forfaitaire a la charge des Employeurs," which is a payroll tax imposed on employers under the laws of Senegal. These payments totaled CFA 544,700.

C. Unlocated Project Equipment - CFA 30,672

A physical inventory of project equipment revealed that a calculator procured for CFA 30,672 was missing and could not be located.

D. Other Questioned Costs - CFA 21,050

Two luxury pens were purchased at CFA 10,525 each out of the project petty cash funds. Since pens for project use can be purchased at a fraction of the above cost, this procurement is therefore being questioned as an unreasonable expenditure.

### Criteria

Project expenditures must be reasonable, allowable and necessary. In addition, all costs charged to the project must be project related.

### Causes

Controls over vehicle usage and custody of project equipment were inadequate. The payment of employers' payroll taxes was made on the advice of the project's financial consultants.

### Effect

Questionable expenditures totaling CFA 1,725,974 have been charged to the project by Multi-Services International and reimbursed by USAID.

### Recommendation

We recommend that Multi-Services International:

- (i) reimburse the project CFA 74,035 for the lost gasoline coupons;
- (ii) justify questioned fuel consumption charges of CFA 1,055,517 attributable to disproportionate fuel consumption in relation to mileage driven, and vehicle usage for non-project activities;
- (iii) invoke the terms of the Project Grant Agreement and recover from the Government of Senegal CFA 544,700 paid as employers' payroll taxes; and
- (iv) reimburse the project CFA 51,722 for the loss of an office equipment and purchase of two luxury pens.

SECTION III - REPORT ON INTERNAL ACCOUNTING CONTROLS

REPORT ON INTERNAL ACCOUNTING CONTROL

A. AUDITOR'S OPINION

We have performed a financial and compliance audit of the contract between USAID and Multi-Services International under the Agricultural Production Support Project No. 685-0269 for the period from September 22, 1987 to December 31, 1988. As part of our examination, we made a study and evaluation of the Project's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards and the standards for financial and compliance audits contained in the U.S. Comptroller General's "Standards for Audit of Governmental Organizations, Programs, Activities and Functions" (1981 Revision). The purpose of our study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the statement of expenditures reported by Multi-Services International to USAID.

Multi-Services International is responsible for establishing and maintaining an adequate system of internal accounting control. MSI was to set up a system which would provide the Project management reasonable assurance that assets are safeguarded against loss, unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Based on our study and the criteria referred to in the first paragraph of this report, and except for the conditions described in the accompanying findings 1 to 5 on pages 11 to 16, it is our opinion that the Project's internal accounting control system is adequate for safeguarding the assets and funds of the Project from irregularities in amounts that may be material to the Project.

April 25, 1989

COOPERS & LYBRAND



Serigne Abdoul Aziz Dieye

## B. FINDINGS

### FINDING NO. 1: CONTROLS OVER VEHICLE USAGE

#### Condition

The system to control the usage of project vehicles and fuel consumption was inadequate. For example, the log books for fuel consumption and vehicle usage were not always filled out correctly. No reconciliations were made to agree the fuel consumption costs to the number of kilometers driven as recorded in the log book. Additionally, there was no assurance that vehicles were utilized only for project related activities. It was noted that vehicles were utilized outside the normal working hours when there were no project activities on record.

#### Criteria

The project should exercise effective controls over commodities and equipment to ensure that all expenditures charged to these items are project related.

#### Cause

Vehicle usage and fuel consumption records maintained by the project are not effectively utilized to control expenditures charged to these items.

#### Effect

Inadequate controls over vehicle usage and fuel consumption could result in misuse of project funds and unauthorized use of project vehicles.

#### Recommendation

We recommend that:

- (i) the Project's vehicle usage and fuel consumption records be properly filled out on a daily basis;
- (ii) fuel consumption costs be compared to kilometers driven and any significant variances promptly investigated;
- (iii) all vehicle usage be logged in on a daily basis and fuel expenses attributable to non-project personal use of vehicles be reimbursed to the project; and

(iv) gas coupons be subject to periodic inventory and be reconciled to the fuel consumption records.

## FINDING NO. 2 - EXPENSE CLASSIFICATION ERRORS

### Condition

Some expenses were not properly classified. For example, fuel consumption costs and purchase of office equipment were charged to administrative and operational expenses instead of commodities expenses.

### Criteria

Expenses should be properly classified and recorded to permit meaningful management decisions.

### Cause

Expenses were not properly recorded in the appropriate Project component line item.

### Effect

Misclassifications affect the validity of expenditure reports and do not permit effective budgetary control.

### Recommendation

Corrective action was taken by MSI prior to the completion of our field work. All expenses that were incorrectly classified were reclassified to the correct expense categories. No recommendation is, therefore, being made.

FINDING NO. 3 - NO ADMINISTRATIVE AND ACCOUNTING MANUAL

Condition

There is no administrative and accounting manual which could serve as a reference for Project personnel.

Criteria

The Project Implementation Letter issued by USAID required Multi-Services International to establish sound accounting and personnel procedures.

Cause

MSI did not document all the procedures described in the Project Implementation letters because of the relatively small size of the project operations.

Effect

Errors and/or irregularities may result without adequate written procedures.

Recommendation

We recommend that the Project establish an administrative and accounting manual based on USAID Project Implementation Letters.

FINDING NO. 4 - NO ADEQUATE SEGREGATION OF ADMINISTRATIVE  
DUTIES AND RESPONSIBILITIES

Condition

There is no proper segregation of duties and responsibilities. For example, the Project Administrator is responsible for ordering, procuring and receiving functions in addition to authorizing invoices for payment.

Criteria

Good internal controls require a system of checks and balances to prevent concentration of responsibilities and duties in one individual.

Cause

Project job descriptions assign too much responsibility to the Project Administrator.

Effect

The concentration of duties and responsibilities in one individual could result in errors and irregularities and subject Project funds to misuse.

Recommendation

We recommend that the Project institute an appropriate segregation of duties and responsibilities in the ordering, procuring, receiving and disbursing functions to prevent concentration of responsibility in one individual.

FINDING NO. 5 - INADEQUATE CONTROL OVER PROJECT EQUIPMENT

Condition

Although the Project has established a fixed assets register, the asset items are not periodically inspected and reconciled to the register.

Criteria

USAID issued a Project Implementation Letter to Multi-Services International requiring that a fixed asset register be maintained and periodically inventoried.

Cause

Multi-Services International did not periodically inspect these items and reconcile items inventoried to the fixed assets register.

Effect

Misappropriations of Project assets may go undetected.

Recommendations

We recommend that the Project institute a system of periodic physical inventory of all fixed assets and reconcile the items inventoried to the register.

SECTION IV - REPORT ON COMPLIANCE WITH APPLICABLE  
LAWS, REGULATIONS AND AGREEMENTS

REPORT ON COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND AGREEMENTS

A. AUDITOR'S OPINION

We have performed a financial and compliance audit of the statement of expenditures reported by Multi-Services International to USAID under the Agricultural Production Support Project for the period from September 22, 1987 to December 31, 1988.

Our examination was made in accordance with generally accepted auditing standards and the U.S. Comptroller General's "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions" (1981 Revision), which includes additional standards and requirements for the review of compliance with agreement terms and applicable laws and regulations.

We tested transactions and records for the period from September 22, 1987 to December 31, 1988 which included cash disbursements and reporting to determine the compliance with terms of the contract agreement between USAID and Multi-Services International.

The results of our study indicated that for the items tested, Multi-Services International substantially complied with the terms of the agreement and applicable laws and regulations. Nothing came to our attention that caused us to believe that untested items were not in compliance with applicable laws, regulations and agreements.

April 25, 1989

COOPERS & LYBRAND



Serigne Abdoul Aziz Dieye

AUDIT OF THE CONTRACT BETWEEN USAID/SENEGAL  
AND MULTI-SERVICES INTERNATIONAL UNDER THE  
AGRICULTURAL PRODUCTION SUPPORT PROJECT NO. 685-0269

SUMMARY OF EXPENDITURES REPORTED BY  
MULTI-SERVICES INTERNATIONAL TO USAID/SENEGAL  
FROM SEPTEMBER 22, 1987 THROUGH DECEMBER 31, 1988

|                          | <u>Costs<br/>claimed</u> | <u>Adjustments<br/>for coding<br/>errors</u> | <u>Adjusted<br/>costs<br/>claimed</u> | <u>Questioned<br/>Costs</u> | <u>Accepted<br/>Costs</u> | <u>Audited<br/>Costs</u> |
|--------------------------|--------------------------|--|---------------------------------------|-----------------------------|---------------------------|--------------------------|
| I. TECHNICAL ASSISTANCE  | 0                        | 0  | 0                                     | 0                           | 0                         | 0                        |
| II. SHORT-TERM TRAINING  | 6 641 775                |  | 6 641 775                             |                             | 6 641 775                 | 0                        |
| CFA                      | 6 641 775                | 0  | 6 641 775                             | 0                           | 6 641 775                 | 0                        |
| \$                       | 21 018                   | 0  | 21 018                                | 0                           | 21 018                    | 0                        |
| III. COMMODITIES         |                          |  |                                       |                             |                           |                          |
| A. expendable supplies   |                          |  |                                       |                             |                           |                          |
| B. gas/repairs           |                          | 6 349 679                                    | 6 349 679                             | 1 129 552                   | 5 220 127                 | 6 349 679                |
| C. repairs/maintenance   |                          |  |                                       |                             |                           |                          |
| D. office equipment      | 3 146 380                | 193 748                                      | 3 340 128                             |                             | 3 340 128                 | 3 340 120                |
| E. other equipment       |                          |  |                                       |                             |                           |                          |
| F. mobylettes            |                          | 17 695                                       | 17 695                                |                             | 17 695                    | 17 695                   |
| CFA                      | 3 146 380                | 6 561 122                                    | 9 707 502                             | 1 129 552                   | 8 577 950                 | 9 707 592                |
| \$                       | 9 957                    | 20 763                                       | 30 720                                | 3 575                       | 27 145                    | 30 720                   |
| IV. OTHER COSTS          |                          |  |                                       |                             |                           |                          |
| A. local adm. personnel  | 23 259 851               |  | 23 259 851                            | 544 700                     | 22 715 151                | 17 973 078               |
| B. performance bonuses   | 1 489 000                |  | 1 489 000                             |                             | 1 489 000                 | 1 489 000                |
| C. adm. operat. expenses | 28 918 313               | (6 561 122)                                  | 22 357 191                            | 51 722                      | 22 305 469                | 19 764 273               |
| D. in-country per diem   | 7 736 350                |  | 7 736 350                             |                             | 7 736 350                 | 7 506 870                |
| E. studies               |                          |  |                                       |                             |                           |                          |
| CFA                      | 61 403 514               | (6 561 122)                                  | 54 842 392                            | 596 422                     | 54 245 970                | 46 733 221               |
| \$                       | 194 315                  | (20 763)                                     | 173 552                               | 1 887                       | 171 664                   | 147 890                  |
| Total CFA                | <u>71 191 669</u>        | <u>0</u>                                     | <u>71 191 669</u>                     | <u>1 725 974</u>            | <u>69 465 695</u>         | <u>56 440 723</u>        |
| Total \$                 | <u>225 290</u>           | <u>0</u>                                     | <u>225 290</u>                        | <u>5 462</u>                | <u>219 828</u>            | <u>178 610</u>           |

ADJUSTMENTS ON FUEL CONSUMPTION

| Vehicle<br>Registration<br>Number | Number of<br>Kilometers<br>Recorded | Adjustment<br>on Kilom.<br>Recorded | Number of<br>Kms after<br>Adjustment | Fuel<br>Consumption<br>Rate | Normal Fuel<br>Consumption<br>Rate | Fuel<br>Consumption<br>recorded | Adjustment<br>on Fuel<br>Consumption<br>Recorded | Total<br>Adjustment<br>in CFA |
|-----------------------------------|-------------------------------------|-------------------------------------|--------------------------------------|-----------------------------|------------------------------------|---------------------------------|--|-------------------------------|
|                                   | (km)<br>(1)                         | (km)<br>(2)                         | (km)<br>(3)                          | (4)                         | (1)<br>(5)                         | (1)<br>(6)                      | (1)<br>(7)                                       | (CFA)<br>(8)                  |
| 13531/SO                          | 47 100                              | 20,068                              | 27 032                               | 0,097                       | 2352                               | 4 410                           | 2058   | 304 716                       |
| 13532/SO                          | 32 149                              | 9,271                               | 22 878                               | 0,087                       | 1990                               | 3 580                           | 1590   | 235 369                       |
| 4575/TTB1                         | 22 808                              | 0                                   | 22 808                               | 0,06                        | 1368                               | 4 180                           | 2811   | 416 225                       |
| 13777/SO                          | 22 999                              | 0                                   | 22 999                               | 0,06                        | 1380                               | 2 050                           | 670  | 99 207                        |
| <u>Total</u>                      | <u>125 056</u>                      | <u>(29 339)</u>                     | <u>95 917</u>                        |                             | <u>7091</u>                        | <u>14 220</u>                   | <u>7129</u>                                      | <u>1 055 517</u>              |

- Notes:
- (1) per fuel consumption logbook
  - (2) see adjustment on kilometers driven schedule - Exhibit 2, Page 2
  - (3) difference column (1) and (2)
  - (4) maximum fuel consumption for the:
    - Peugeot 505 diesel: 8,7 liters per 100 kms  
This information was obtained from the Peugeot car dealer AFRICAUTO
    - Mitsubishi pajero 6 liters per 100 kms  
This information was provided by Senegalaise de l'Automobile the local Mitsubishi car dealer
  - (5) Product of column (3) + (4)
  - (6) Per fuel consumption logbook
  - (7) difference column (6) + (5)
  - (8) product of column (7) by the price of diesel fuel ie CFA 148.07

129

EXCESS KILOMETERS DRIVEN

|          | <u>Week-ends</u> | <u>Other days</u> | <u>Total</u> |
|----------|------------------|-------------------|--------------|
| 13531/SO | 7959             | 12109             | 20068        |
| 13532/SO | 4702             | 4569              | 9271         |
|          | <u>12661</u>     | <u>16678</u>      | <u>29339</u> |

For vehicles 13531/SO and 13532/SO, a maximum of 80 kilometers per working day was considered reasonable. Trips outside of Dakar were accepted as recorded in the logbook.

For vehicles 4575/TTB1 and 13777/SO, no adjustments were made as distances driven appeared normal. Only fuel consumption was corrected based on the normal consumption rate of 6 liters per 100 kms.

21

Report Distribution

|                                | <u>No. of<br/>Copies</u> |
|--------------------------------|--------------------------|
| Director, USAID/Senegal        | 5                        |
| Ambassador, US Embassy/Senegal | 1                        |
| AA/AFR                         | 1                        |
| AA/PFM                         | 2                        |
| AFR/CONT                       | 5                        |
| AFR/PD                         | 1                        |
| AFR/SWA                        | 1                        |
| AA/XA                          | 2                        |
| XA/PR                          | 1                        |
| LEG                            | 1                        |
| GC                             | 1                        |
| PFM/FM                         | 2                        |
| PPC/CDIE                       | 3                        |
| SAA/S&T                        | 1                        |
| IG                             | 1                        |
| Deputy IG                      | 1                        |
| IG/PPO                         | 2                        |
| IG/ADM                         | 12                       |
| IG/LC                          | 1                        |
| IG/PSA                         | 1                        |
| AIG/I                          | 1                        |
| REDSO/WCA                      | 1                        |
| REDSO/WCA/WAAC                 | 1                        |
| USAID/Burkina Faso             | 1                        |
| USAID/Cameroon                 | 1                        |
| USAID/Cape Verde               | 1                        |
| USAID/Chad                     | 1                        |
| USAID/Congo                    | 1                        |
| USAID/The Gambia               | 1                        |
| USAID/Ghana                    | 1                        |
| USAID/Guinea                   | 1                        |
| USAID/Guinea-Bissau            | 1                        |
| USAID/Liberia                  | 1                        |
| USAID/Mali                     | 1                        |
| USAID/Mauritania               | 1                        |
| USAID/Morocco                  | 1                        |
| USAID/Niger                    | 1                        |
| USAID/Nigeria                  | 1                        |
| USAID/Sierra Leone             | 1                        |
| USAID/Togo                     | 1                        |
| USAID/Tunisia                  | 1                        |
| USAID/Zaire                    | 1                        |
| RIG/I/Dakar                    | 1                        |
| RIG/A/Cairo                    | 1                        |
| RIG/A/Manila                   | 1                        |
| RIG/A/Nairobi                  | 1                        |
| RIG/A/Singapore                | 1                        |
| RIG/A/Tegucigalpa              | 1                        |
| RIG/A/Washington               | 1                        |