LESOTHO O.I.C.

(Lesotho Opportunities Industrialization Center)

We Help Ourselves

Re ea Itšebeletsa

OIC

August 28, 1980.

TO: The Director - U.S.A.I.D.

FROM: Beulah Perrault, Acting Program Advisor

SUBJ: OICI's Response to AAG/W/SA Draft Audit Report on OIC International, Inc.

Enclosed you will find copy of OIC International's response.

If there are any questions please do not hesitate to contact me.

Beulah Perrault

Beulah Perrault
ACTING PROGRAMME ADVISOR

Enclosure: 1

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OIC INTERNATIONAL

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL INC.

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Rev. Leon H. Sullivan,

Gary Robinson

August 4, 1980

Mr. Herbert Beckington
Auditor General
Room 5644
Department of State
Agency for International Development
Washington, D.C. 20523

RE: The AAG/W Draft Audit
Report On OIC International

Dear Mr. Beckington:

The attached response is respectfully submitted to:

(1) call your attention to the kind of audit performed on OIC International and the extent to which (in our view) the report does not reflect the level of professionalism, depth of analysis and constructive attitude worthy of the declared purposes of the audit and the high responsibility vested in the auditors.

(2) register OICI's concern regarding a) the serious shortcomings both in tone and substance, of the audit report, b) the extent to which such a document can genuinely be viewed to portray the actual performance and record of OIC International and c) the extent to which such a report should be used to serve the information needs of the audit office, USAID Missions and other offices of AID/Washington.

(3) request your office to impress upon the auditors their responsibility to produce an audit report which is based on the total facts, a constructive perspective and an analytical framework more suited to the chosen purposes of the audit.

This response is further submitted to your office in the same vein you suggested during the AID/PVO conference held in June 1980. We took, then, under advisement the encouragement you gave the PVO community that, should any audit concerns arise, the concerns ought to be brought to your attention. While we regret the need to present to you the present concerns, we feel obliged to correct the misrepresentation, the imbalance and innuendos of the draft audit report which has already been circulated to several USAID missions abroad and to various bureaus within AID/Washington itself.

Respectfully yours,

Kura Abedje

Kura Abedje
Deputy Executive Director and
Director, Finance/Administration

KA/km

cc: George L. DeMarco, AAG/W
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RESPONSE OF OIC INTERNATIONAL
TO THE DRAFT AUDIT REPORT OF
AAG/W/SA, AID
AUGUST 4, 1980

Reverend Dr. Leon H. Sullivan
Founder and Board Chairman

Gary Robinson
Executive Director

RESPONSE OF OIC INTERNATIONAL TO THE DRAFT
AUDIT REPORT OF AAG/W/SA, AID
AUGUST 4, 1980

CONTENTS

SUMMARY STATEMENT ON THE PURPOSES (SCOPE) OF AUDIT AS INDICATED IN THE DRAFT AUDIT REPORT

The purposes indicated are to:

(1) determine effectiveness of both AID and OICI program management

(2) determine workability of OICI projects

(3) compare achievements and goals, and

(4) determine if funds were spent in accordance with the terms of the Grant.

Purposes Nos. (1) and (2)

These purposes are clear to the extent that the intent of the auditors is declared. What is not clear is the auditors' basis for determining the effectiveness of OICI's or AID's program management or the workability of OICI projects. Not only is the basis of determination questionable but also the methodology attempted and tools of analysis utilized are entirely lacking in terms of addressing all dimensions of the issues involved. To pass an unqualified judgment on the entire performance or record of an organization, simply on the basis of discrete, selective and exceptional findings is both premature and misleading, since the audit covers only a finite period, i.e., two years. It is equally premature and overzealous to recommend, on the basis of such selective findings, that the Assistant Administrators of the Bureaus of PDC/PVC and AFR and the Office of Contract Management should determine if future agency support is justified. It is apparent that such a recommendation is based on a fast conclusion which again is based on selective 'findings' and not on any aspect of the significant progress made by OICI in the past ten years. It is also apparent that the audit report has made no effort to take into account the findings of independent evaluators[1] commissioned by AID during the audit period.

[1] Wolf & Company, Evaluation of Opportunities Industrialization Centers International, May 1978. Also, Barnett & Engel, Evaluation of OIC-Togo Agricultural Training Program, Jan. 1980 (Note that while team leader was commissioned by AID/Washington, an additional consultant was commissioned by USAID/Lome).

Nor has the audit report taken note of the positive joint evaluation findings (1979) by OICI, the host governments, and AID Missions in Sierra Leone and Liberia. Indeed, in 1980, too, such additional joint evaluations conducted with the participation of AID and host governments have been completed on Ghana (end-of-project)*, Lesotho and The Gambia. Nowhere is there a single appreciation in the audit report of the difficulties a PVO such as OICI faces in undertaking projects in small countries with fragile economies, inadequate infrastructure (especially communi-cations) and frequent political upheavals. In short, the auditors failed to provide the detailed analysis and evidence needed to measure up to the scope of the audit and the significance of the conclusions reached. The audit report, both in tone and substance is unfair to the established performance record of OICI. Its innuendos have taken the place of complete facts, context, ba-lanced assessment and objectivity. We believe the context within which a program operates should also be the context within which program and management audit/evaluation should be made. Judgment passed out of context is equally damaging to the record and image of a PVO as well as to the professional credence of the auditors themselves. An audit report ought to be a public document worthy of the genuine information needs of bureaus and agencies which depend on such documents for decision-making.

Purpose No. (3)

Here, the audit report intends to compare achievements and goals. The theme of the audit, whether by design or default, con-jures up all the negative aspects, both actual and assumed, without bothering to deal in any manner with OICI's positive program accomplishments. The tone of the audit report is ominous and is not apparently meant to help OICI improve its future performance, but rather to convey to the readers of the report a message which distorts OICI's performance and image.

*A consultant was hired and approved by AID to lead the team and prepare the final evaluation report. This was initiated to ensure objectivity.

The report nowhere acknowledges that OICI provided the auditors with access to internal evaluations which show OICI's recognition of over-ambitious program targets, and hence overstated goals. The goals were overstated relative to the time needed for implementation, due to (1) the initial time lag between actual project authorization and the implementation time frame as contained in the project paper, and (2) the time needed to recruit, train and bring on board the full complement of OICI's Technical Cooperation Team and the local project staff*, (3) the time needed to establish cooperative working relationships with the local government bureaucracy. This process, of which the audit report is oblivious, has a direct bearing on the actual outputs of interim periods, outputs which the audit report compares, out of context, with proposal output targets. The audit report nowhere mentions the delay involved in securing procurement and waiver authorizations and in complying with U. S. flag vessel requirements. The report nowhere indicates that shipments to many African ports do take time, and do present logistical problems attributable to congested ports and land-locked countries which require further transit shipping arrangements, before program items reach their final destination. There are also unexpected delays stemming from local bureaucracies which are experienced after project start-up and not foreseen at the time of proposal development. It is obvious that these inevitable processes are a prime concern to OICI, but not to the auditors. The processes suggest a cause and effect relationship with respect to performance levels which are untimely and improperly measured at a particular point in time, by auditors insensitive to the issues. To pass a mechanical judgment on interim outputs, without any recognition of the practical context and conditions of delivery is, in our view, not responsible. To this extent, the usefulness of the audit report for a constructive purpose is clearly limited, even if one acknowledges some value in some of the 'findings' for purposes of enforcing existing policies, practices and Grant requirements. The auditors have failed to acknowedge that OICI has

*It should be noted that neither TCT nor local staff recruitment can be initiated prior to actual grant approval and the issuance of the Federal Reserve Letter of Credit Amendment.

an internal evaluation system which was helpful even to the auditors themselves. OICI does not hide from its problems nor does it hide its problems from others. Before the arrival of the auditors, OICI was already aware of interim lags in program output. More importantly, in view of this recognition, OICI was and still is accelerating its effort to increase output. Nevertheless, the audit report contends that "there is no assurance that future performance will improve." In lieu of seeking assurance, the auditors could have been more insightful, for all the reasons explained above, in at least raising the possibility that OICI's goals might have been overstated instead of understating OICI's achievements. Such dual consideration, on the part of the auditors, would have recognized the double disadvantage done OICI. Additionally, the auditors understated OICI's interim achievements, by failing to note the number of local staff and Board members trained, the operational training facilities set up, the in-kind assistance granted by host governments such as land, training facilities, equipment and commodities, supplies, as well as food and stipends for trainees. These important host country contributions are in addition to the substantial cash contributions made which the audit report has not fully acknowledged. In contrast to the auditors' apprehension regarding the local fund-raising prospects, further cash contributions have been received, 10,000 Rands in Lesotho and 180,000 Leones in Sierra Leone in the months immediately following this audit. Each contribution represented a portion of the respective local budgets.

In spite of many of the above material facts and explanations shared with the auditors during the audit and at the exit conference, the audit report still asserts that "Historically, OICI has failed to fully achieve their most important goals, i.e, (1) creation of developing country OIC's that become financially self-sufficient by obtaining local support, and (2) placement of trainees on jobs. At the present time the same conditions prevail and there is no assurance that future performance will improve." As in other instances, the above statement contains a number of inaccuracies and misleading innuendos. A few examples can illustrate this point.

(1) Despite the political crisis and the acute economic difficulties of Ethiopia in the past five years, OIC-Ethiopia is still operating and self-sustaining, independent of both AID and OICI.

(2) OIC-Nigeria is another case in point. Despite changes in government, it remains to date operational and self sustaining with substantial support from the Industrial Training Fund of the Nigerian Government.

(3) Even in the case of the discontinued OIC-Zambia project, discontinued with the initiative of OICI itself for reasons related to the local OIC Board of Directors' non-compliance with OICI's policies, the program did have local support including the endorsement of the host government and the Mutendere Center which handed over its operation to OIC-Zambia.

(4) Although OICI has not yet completely phased out of Ghana (due to program replication in Kumasi and Takoradi), the input of the Government and industry of Ghana ($544,487) is a notable contribution to the drive for self-sufficiency, considering the extreme economic hardship the country suffered for more than ten years, a situation which has further been aggravated in recent years. Here again, the audit report does not in any way refer to the state of Ghana's economy, as if it has no bearing on the fund-raising capacity of OIC-Ghana. The report could have also acknowledged the substantial contributions as a measure of progress toward goal rather than focusing solely on shortfalls. In essence, the report has simply done away with the economic assumptions upon which the original goal figures were based and the fact that, during the actual fund-raising period, those assumptions no longer obtained. Thus, the audit report merely points to the effect, disregarding cause and context. Lack of recognition (in the audit report) of the sum total of the points raised heretofore regarding 'findings' has led to equally deficient 'conclusions' and even more unwarranted 'recommendations,' i.e., the audit report culminates in raising the question of the justification for any future agency support.

Constructive recommendations regarding the need for more effective monitoring and reporting were made in the AID Audit Report #78-126 of June 29, 1978, covering the period July 1, 1975, through September 30, 1977; the auditors also noted then that OICI has made a "marked improvement in administrative and operating practices." In the course of the subsequent two-year period (which is the subject of the current draft audit report) OICI has implemented most of the recommendations made in the June 1978 audit report. OICI has also since undertaken three more new projects, i.e., Liberia, The Gambia, and Lesotho. Total funding claimed for the two-year audited period, ending Sept. 30, 1979, is $6,124,853.14. Costs questioned out of this amount total $13,387.63, of which $7,920.79 represented the cost of trucks purchased locally in Togo from locally generated funds. In view of this latter fact, the Grant Officer ruled the $7,920.79, an allowable expenditure which did not require prior or retroactive authorization. (See Attachment A). Hence, such a ruling reduces the questioned cost total to $5,466.84. Out of this remaining amount, the $587.56 questioned cost represents an inadvertent overpayment for official business mileage reimbursement in Sierra Leone. OICI has already reimbursed same amount to contracts as of February 1980, a fact already communicated to the AID auditor on April 17, 1980. (See Attachment B). The balance remaining of the $5,466.84 is therefore $4,879.28. Of this amount, $2,413 represents interest charge for bank overdraft in Togo and an additional $415 represents interest charge for bank overdraft in Lesotho. The interest payment in Togo (in 1979) stemmed primarily from insufficient contract funds which necessitated borrowing from a local bank at commercial interest rate. OICI did communicate its shortage of funds to USAID in July of 1979. However, funds were not received until September 1979. It should also be pointed out that in the interim period, program expenses including payroll had to be met, as the project was still in operation. Even with respect to the current fiscal year, it should further be added that OICI did not receive the approved budget for Togo until eight months after, i.e., until May 1980. In the case of Lesotho, too, a similar situation obtained which necessitated the overdraft and hence the interest payment out of contract funds. Again, even for the fiscal year October 1, 1979, thru September 30, 1980, the Federal Reserve Letter of Credit for the OIC-Lesotho budget was not received by OICI until July 11, 1980, nearly nine and one-half months after the fiscal year started. We think such patterns of delay do pose a serious problem for any management. Yet, the auditors did not make any reference to such difficulties being caused by AID's bureaucracy and the auditors' indiscriminate application of subpart 15.207-17 Federal Procurement Regulations.

Finally the above facts and explanations suggest that OICI has proved to be fully accountable for more than $6,000,000, excepting approximately $2,800 of questioned interest payment for which OICI's explanation is already stated. Put differently, we believe that OICI has successfully met the financial accountability requirements of the Grant and one of the principal purposes of the audit which was to "determine if funds were spent in accordance with the terms of the Grant."

SPECIFIC COMMENTS ON SECTION II OF THE DRAFT AUDIT REPORT, i.e., FINDINGS, CONCLUSIONS & RECOMMENDATIONS

A-1 Financial Self-Sufficiency

The issue of "financial self-sufficiency" has already been addressed in OICI's Summary Statement on "the purposes" of the audit.

A-2 and B-3 Trainee Completion and Trainee Placement

This item of concern has been partly dealt with in OICI's Summary Statement on Purpose No. 3. While the draft audit report was in progress, the auditors requested OICI to respond to questions in this area. OICI did respond both orally and in writing, although the responses are not fully reflected in the draft audit report. The comments below are therefore made to further clarify OICI's position on this matter.

(1) The audit report reflects the auditors' failure to carefully analyze the logical framework matrix and the project design as contained in each project paper.

(2) The audit report does not acknowledge that late funding has resulted in proposal dates which no longer concur with actual training cycles.

(3) The audit report does not give any indication that the open-ended placement process is continuous, i.e., that the job market and local seasonal conditions are fluid, and that trainees cannot all be placed at once. OICI proposals state that "placements occur continuously throughout the year following the completion of course work." This statement is contained in the OICI Grant Agreement No. AID PHA G-1125 Amendment #21, Page 2. The same statement also appears in the PPT Narrative Description of OICI project proposals (See, for instance, OICI Lesotho Proposal, Page 92, and Liberia Proposal PPT Narrative, Page 90, No. 33).

(4) In No. 2 above, OICI's comment was intended to draw attention to the fact that the auditors referred to interim output objectives without any consideration of Grant approval dates and actual project start-up dates. The specifics of these dates will be identified a little later in the sections dealing with program statistics. It should be, additionally, pointed out that the auditors appraised the achievement of interim output objectives without bothering to verify whether the assumptions stated in the logical framework matrix did actually obtain at the time of implementation. Furthermore, in relating actual to projected output, the auditors failed to compare projected input with actually required input.

(5) The auditors used fiscal years (which are primarily suitable for financial auditing) as cut-off points of program outputs without referring to actual program start-up dates and the time needed to implement varying training cycles for different courses. Even in the case of the OIC Agricultural projects, the auditors' measurement of output did not take into consideration the training cycle which necessarily includes the planting and harvesting seasons. As a result, the auditors only referred to trainee completions achieved according to fiscal years.

(6) It does seem to us inappropriate for the auditors to question OICI's capacity to eventually attain project goals on the basis of current gaps between actual accomplishments and original planned targets, without footnoting OICI's already revised operational plans and accelerated output schedules which were being implemented as of September 1979.

In summary, the audit report does not reflect a sensitive and realistic understanding of the operational implications pertaining to the interrelationships of timing, input, output and assumptions. The absence of these considerations, does render, in our view, the auditors' conclusions on training outputs and placement targets, inaccurate, biased and misleading.

Program Statistics

With respect to the number of trainee completions reported in the audit report, we would like to note the following corrective and/or supplemental information.

a) Ghana

The audit report states that OIC Ghana's "goals per proposal was a total of 900 trainee completions. Actual trainee completions were 556 which results in a shortfall of 344 trainees." The audit report further states that "OIC Ghana's reported placements include individuals who have been placed in more than one job."

OICI management has analyzed OIC Ghana's placement statistics in detail in the June 1980 joint evaluation report of OICI-USAID-GOG. After a careful reading of this report, it is by no means evident that there was any overt or covert attempt by OIC Ghana to overstate placement figures. What is apparent is that the OIC Accra MIS statistical reports did fail to adequately distinguish between number of placements (i.e., jobs secured) and number of trainees placed. As a result, in reporting the number of placements in its MIS reports, OIC Accra counted some trainees who were placed more than once. While the evaluators noted that the ability of OIC Accra to make multiple placements of individuals indicates "strength of effort rather than weakness in the process," they did take this factor into account in determining the excess of the placement statistics which was approximately 21.5% (based on a very careful analysis and sample survey of graduates). In the case of OIC Kumasi and OIC Takoradi, no double counting was found. Even with respect to OIC Accra, corrective steps have already been taken to improve the precision of its MIS recording and reporting and to distinguish between the number of placements and number of trainees placed.

Nevertheless, the audit report has used the unique case of OIC Accra to draw a universal conclusion that OICI's field reports contain "inflationary figures, a conclusion that is both inaccurate and misleading.

b) Lesotho

The audit report suggests that Lesotho OIC has over-stated trainee completions, by concluding that Lesotho OIC was claiming credit for a job done by the Lerotholi Technical Institute (LTI).

Of the 34 trainees transferred from LTI to Lesotho OIC, at host government request, 22 completed an individualized training program; 13 were second year students and 9 were first year students. Of the 13 second year LTI students who received training at Lesotho OIC for six months, 7 acquired jobs for themselves while 6 were placed by LOIC. The dates of enrollment and placement of these trainees have all been explicitly recorded in OICI's MIS and program narrative reports which the auditors were given access to. The auditors have no basis for suggesting that Lesotho was trying to mislead by presenting "inflated" placement figures. The fact that the 7 students secured jobs for themselves was reported; it would have been both inaccurate and misleading not to report that students who did have OIC training are in jobs, rather than still unemployed. Also, it was specifically reported in OICI's MIS and narrative report that the 9 first year LTI students trained at Lesotho OIC for 12 months were placed in jobs by Lesotho OIC.

According to the proposal PPT, completion of OJT and placements for vocational graduates were not scheduled to begin until month 24 (i.e. until January 1980). However, due to the absorption of the LTI trainees, 6 placements took place as of September 1979; 16 additional placements took place during the period October 1979 thru March 1980; as of June 1980, 62 trainees have been placed on jobs indicating high level potential to achieve on a timely basis the target of 75 placements for the first 36 months (i.e. January '81) of actual project operation.

Once again, the auditors have used fiscal years (which are primarily suitable for financial auditing) as cut-off points of program outputs without referring to actual program start-up dates and the time needed to implement varying training cycles for different courses.

c) Liberia

The audit report states that "project proposal projected 100 trainee completions. They technically had 32 trainee completions." The auditors are lumping together the 40 vocational placements targeted for year II with the 60 ET/MD completions targeted for the same period. Also, the 32 completions auditors referred to are actually all ET/MD completions. The auditors did not report that 56 building trades trainees were ready for OJT in July 1979 and that 27 of these were placed in paid OJT as of July 31, 1979.

Per original PPT, 40 vocational placements were targeted for December 1979 (i.e. month 24). However, in actual implementation, there was a three month delay in reaching the placement target. This was due to the need for extensive renovation work to be undertaken by the trainees at the Klay Campus prior to full-scale training start-up. Thus, the placement target was not attained until March 1980, when 43 graduates were placed in jobs (i.e. 3 placements above original target). Since that date, i.e. as of July 1980, out of 123 vocational completions a total of 81 placements have been achieved with a 96% retention rate after three months on the job. It is reasonably expected that the goal of 105 placements will be met by September 30, 1980.

The audit report does not indicate (in the way of balancing its findings) that 71% of the major activities scheduled took place either ahead of or on schedule; nor does it indicate that only 3 out of the 11 Critical Performance Indicators were behind targets as of August 15, 1979, as acknowledged in the joint evaluation report prepared by OICI, USAID/Liberia and the Government of Liberia. The auditors were given access to this report, although they did not take note of the positive findings contained in it.

d) Sierra Leone

The audit report states that "project proposal projected 400 trainee completions. They actually had 142 completions which is a shortfall of 258 trainees."

Here again, the auditors are selective in their reference, a selection which ignores the revised targets submitted to AID/W in a document, entitled "Revised Budget Training Schedule and Projected Outputs for OIC/Sierra Leone," dated August 12, 1976. These revised provisions were subsequently incorporated in the approved Grant Amendment. The auditors also failed to mention (or at least footnote) the turbulent political situation in Sierra Leone in 1976 and 1977 which was a major factor in the delay of training start-up. The revised schedule differs from the original proposal in two respects: (1) it reduced total vocational placement targets (for the five year project period) by 55 and (2) it reduced total ET/MD completion targets by 100. The original projections, for the first three years, i.e., thru September 30, 1979, and the subsequent revision are summarized below.

Original Schedule		Revised Schedule
	1976-1979	1976-1979
Vocational (placements)	200	125
ET/MD (completions)	200	100
	400	225

Per above table, it should be noted that the auditors did provide misleading data by lumping together vocational trainee figures with ET/MD targets. Also, as of September 30, 1979, the following had been achieved: (1) OIC/Sierra Leone had already placed a total of 95 vocational trainees in jobs, i.e., only 30 placements less than the target set in the revised schedule. By July 1980, the program had achieved cumulative vocational placements totaling 167 which should provide adequate evidence that proposal goals can be met. (2) OIC/Sierra Leone has graduated 46 ET/MD trainees, i.e. 54 below the revised target. But actually, these figures do not really represent total output up to December 1979. 28 additional ET/MD trainees in October 1979 and 15 more in December 1979, representing a total of 89 ET/MD trainees have graduated. These figures, which were reported to the auditors, represent the output of ET/MD training in the first nine months of the ET/MD program start-up. By the end of the first 13 months (April 1979 - March 1980), total ET/MD graduates numbered 168, a figure which exceeded the revised completion target and even approached the level projected in the original proposal for the first 24 months following the ET/MD program start-up.*

e) Togo

The audit report states that the OIC Togo "project proposal projected 80 trainee completions, however, only 25 actually completed training. This is a shortfall of 55 trainees."

Again, the audit report has lumped together different types of training courses and lengths of training cycles. The original proposal training schedule is presented below:

a) School leavers trained as semi-modern farmers:

FY	77	78	79	80	81
	0	20	40	40	40

b) School leavers trained as extension workers:

FY	77	78	79	80	81
	0	0	20	20	20

To arrive at a total of 80 projected completions, the auditors simply added targets of lines a) and b) above, without distinguishing between the two. Per an official evaluation report** on Togo (January 1980) the correct trainee completion statistics for OIC Togo are as follows:

* It is interesting to note that the auditors present sometimes a two year period output figure, at other times a three year figure, so long as certain levels suit their purpose i.e. reporting by exception. It is difficult to appreciate why the auditors would choose to disregard the above figures representing output so close to their cut-off point and so important in altering the output picture. This concern must be stated especially when one bears in mind the apparent willingness of the auditors to cast a dark shadow on the record and image of OICI as a PVO. Their projection (embodied in findings, conclusions and recommendation) is aimed at questioning OICI's current and and future capacity to operate effectively and AID's wisdom in continuing to fund OICI.

** Barnett & Engel, et al, An Evaluation of OIC-Togo Agricultural Training Program June '80

	77	78	79
Planned FY	0	20	40
Actual CY	0	23	12

As noted in the section of The Gambia, the training cycle of an OIC agricultural project must include the planting and harvesting seasons. As a result, referring only to completions achieved according to fiscal years (i.e., October through September) presents an inaccurate picture of project performance. It is clear that the twelve trainees who graduated in December 1979 were ignored in the audit report as a result of the audit's selective (fiscal year) cut-off point. (For further comment on the OIC-Togo project, see comment on Section II-C.)

f) The Gambia

Per original proposal, 44 trainee completions were projected for CY 1977 and CY 1978, i.e. 24 completions (one year-day program) in CY 1977 and 20 completions (two year-boarding program) in CY 1978. The audit report indicates a shortfall of 44 trainees.

The following facts are ignored in the audit report:

(1) The grant was not approved until October 1977 and therefore 24 completions could not take place in CY 1977, since all training cylces had to be adjusted by one calendar year.

(2) Due to unusual recruitment difficulties, the first program advisor did not arrive in The Gambia until July 1978, a fact which further contributed to delay in actual training start-up.

(3) Thirty trainees who graduated in December 1979 are not acknowledged in the audit report. Here again, the auditors could have taken note of the fact that the training cycle in an agricultural program has to take into account the planting and harvesting season which occurs in the last quarter of the calendar year.

g) Zambia

Although, for reasons stated previously, OIC Zambia was discontinued effective August 1978, the project had graduated 9 trainees in carpentry by July 28, 1977.* Also, there were 64 vocational trainees enrolled as of March 31, 1978, according to program reports. The 64 vocational trainees were scheduled to graduate in September 1978. To give a more accurate picture of the record, the audit report could have acknowledged the above available facts downgrading project performance by making an absolute bottom line statement, i.e. "As far as accomplishments are concerned, they did not have any actual completions."

B. OICI's Reporting Is Inadequate

B-1 - Non-Compliance with Grant Reporting Requirements.

OICI acknowledges the need for improvement in its program reporting, per Grant requirements. OICI's recognition of the need for improvement and of corrective actions already taken were shared with the auditors in the course of the audit. Some of these actions currently underway include the annual program advisor's conferences, field workshops on report writing, and workshops on MIS implementation. We had pointed out to the auditors that vigorous emphasis is being placed on specifics such as timeliness, quality, quantity, accuracy and comparison of planned vs. actual accomplishments.** We also informed the auditors that OICI's management and technical staff currently pay regular field visits to verify reported information and to identify unreported areas of information, i.e. activities that have or have not taken place, so that timely corrective action (if needed) can be taken. The auditors were also made aware

*Completions noted in AAG/Nairobi Audit Report of OIC Zambia, 1977.

**The comparison of actual with planned accomplishments has been a major focus of OICI's internal evaluations as well as OICI's joint evaluations with AID and host governments.

that OICI has instituted telex communication between the Central office and its overseas programs in order to facilitate the smooth flow of information needed for timely decision-making. The audit report reflects none of the above.

With respect to Grant Reporting requirements, the audit report uses the term "non-compliance," a term which actually overstates the case.

The audit report does not, for instance, acknowledge OICI's regular submission of monthly and semi-annual financial reports to USAID. In terms of program reports to USAID, no mention is made that OIC-Ghana had submitted an annual report for FY '79 in lieu of two semi-annual reports, or that OIC-Gambia had prepared for FY '79 four quarterly program reports which were forwarded to AID Washington by OICI; OIC-Lesotho had also submitted to USAID three quarterly program reports for FY '79. Additional reports from the project countries were in process at the time of the audit. Although not required by the Grant, other reports were also submitted by OICI to AID Washington. One such report submitted to AID Washington in July, 1979 dealt comprehensively with the status of OIC-Togo from inception (i.e. July, 1976 to July, 1979). This report was shared with the auditors, although no reference is made to it in the audit report). Other such reports submitted to AID Washington and acknowledged in the audit report are (1) the joint evaluation report of OICI, USAID, and Government of Liberia (GOL) on OIC-Liberia, (2) the joint evaluation report of OICI, USAID, and Government of Sierra Leone, and (3) a field trip report on all OICI projects, undertaken in November and December, 1978.

To the extent information was available, at the time of semi-annual report preparation (on performance indicators), every effort was made to report both positive and negative aspects of project operations. OICI does acknowledge the incompleteness of some of these reports (referred to in the draft audit report). According, OICI has already taken necessary steps to improve current and future reporting and to enforce reporting deadlines.

B-2 Statistical Field Reports are Inaccurate, or Missing, and
B-4 Reports Contain Conflicting Information

The audit report does not take into consideration the fact that OICI operates a total of six (6) country projects which were initiated at varying points in time and consequently were at various stages of development at the time of the audit. An important point, apparently overlooked by the auditors, is that successful and full MIS implementation in the project countries has certain pre-requisites; among the most important are:

(1) long-term counterpart training
(2) gradual activation of the entire system (i.e. a minimum of 60 reports from each project per year) without sacrificing data vital to project management.
(3) allowance for a certain amount of trial and error due to divergence between actual local conditions and the ideal assumed by the MIS User's Guide.

The result is that some OIC projects are more advanced than others in implementing and complying with MIS requirements in terms of both quality and quantity.

The fact that the auditors lumped together the number of reports received and that they compared this total with the number of reports required only serves to create an unwarranted distortion of OICI's effectiveness and efficiency. Such a simplistic comparison, also ignores the fact that some reports are more vital than others in terms of providing a basis for management decision. It equally overshadows the good performance of some of the more advanced OICI projects with respect to MIS implementation.

For instance, a case of MIS compliance disregarded by the auditors can be found in OIC Sierra Leone. The MIS file at OICI Central headquarters (viewed by the auditors) contained the following reports received from OIC Sierra Leone during FY 1978 and 1979.

OIC/SL FY 78 & 79 Name of Report	No. of Required Reports	No. of Reports Received & Available
Intake/Orientation Activity	20	18
Attendance Analysis	20	19
Program Activity Summary	20	18
Statistical Summary	20	18
	80	73

Out of the 80 reports (in these four categories) since training start-up in March 1978, only 7 reports are not currently available in OICI Central's MIS file. Five of the missing reports are attributable to the very first month of training when local counterpart staff was still in orientation. The remaining two missing reports were only the result of internal misfiling inasmuch as they were available for use in the August 1979 evaluation.

In a related vein, the auditors state, "the field offices are not including a "Summary of Trainee Characteristics" in their periodical reports submitted to the Central Office. This was submitted on an irregular basis." In arriving at this conclusion, the auditors failed to note the following:

(1) "Summary of Trainee Characteristics" (Form 72-L) is required for local distribution only and is not required to be sent to OICI Central Office, per Standard Procedure 1.25, page 1 in the MIS User's Guide.

(2) Even though local programs are not required to submit Form 72-L, OIC Sierra Leone did voluntarily submit this form to OICI Central Office, yet the auditors failed to acknowledge this fact also.

The audit report also notes that three Attendance Analysis forms submitted by OIC Lesotho contained differing statistics for the same month, yet none was marked as a revision. At the time of the exit conference, OICI informed the auditors that of the three reports which were sent to OICI the last Attendance Analysis form submitted was the final report. Even so, the auditors appear to still insist that the last report received was not final because it was not marked "FINAL." As stated before, a certain amount of error in report preparation must be reasonably expected when new staff have to be trained in the use of a highly complex and voluminous reporting system such as the OICI-MIS. The auditors have not allowed for errors (human or mechanical) in the learning process.

B-5 Data on Performance Indicators Were Incomplete

The audit report states that "OICI does not have adequate information for measuring performance accomplishments." What the audit report does not state is that this conclusion was drawn from one case (OIC Ghana) which only partially supports this contention, while other OIC programs have performed very well in this area.

The following information is provided to spell out the larger context of OICI performance in this area:

(1) Since the actual placement start-up in September 1979, Liberia OIC has reported data on job follow-up activities and retention rate.

(2) In September 1979, OIC Togo submitted a special report on the first group of OIC Togo agricultural graduates. This special report provided vital detail on the follow-up status of each graduate (including whether he owned and worked in individual or in family farm holdings).

(3) Lesotho OIC has been generating job development follow-up reports since July 1979 in an effort to provide information on placements. In some cases, OICI has noted that the forms were not properly prepared, yet the effort made to yield this important data in a timely fashion is not to be ignored. In addition, in April 1980, the joint evaluation conducted by OICI, USAID-GOL

in Lesotho (report not yet issued) included a major survey of graduates to determine their follow-up status and job performance record since date of placement.

Therefore, to conclude that OICI has no idea of actual job retention of program graduates, solely on the basis of the Ghana program statistics, gives limited validity to the conclusion. Even though OIC Ghana does have a system that enables as many as five (5) follow-ups, the high turnover in local program staff, especially job developers, have contributed to their deficiency in this area.

In another instance, the auditors selectively quote from the OIC Sierra Leone project proposal that the program is "targetted first at the school dropouts and school leavers." Utilizing this partial reference as a basis for analysis, the auditors then "find" that "47 of the 138 enrolled in feeder and vocational courses held school completion certificates."

In actuality, the entire paragraph in the proposal regarding "target" group of beneficiaries states as follows:

> "The project is intended to benefit the following broad categories of the Sierra Leone community:
>
> (a) the unschooled young adult;
>
> (b) the school dropouts, to be defined as those who have attended school but did not complete certificate requirements;
>
> (c) the post primary school leaver, defined as those who have completed a fixed level of schooling but are unable to find satisfactory employment;
>
> (d) adults who need or desire skills upgrading in the management and/or vocational field."

It was further explained in the proposal that categories (b) and (c) would be primary targets, with (d) and (a) being gradually serviced in the latter portion of the five year project period.

The auditors, however, failed to acknowledge that if the certificates held by the 47 enrollees represented their last and highest level of formal training, then these trainees are properly designated as "school leavers." With this clarification, it is apparent that there exists no conflict between actual and planned target beneficiaries.

With respect to OIC Liberia, the auditors also failed to note that OICI Central staff had identified the problem concerning the appropriateness of the original group of ET/MD trainees in a field trip report dated December, 1978. Notwithstanding this report (made available to the auditors), the audit report attempts to convey the impression that OICI was unaware of this situation and had no means of determining the make-up of the trainee population. In actuality, as stated before, the Summary of Trainee Characteristics is a report designated for local distribution only. The OICI field trip served its purpose to assess actual compliance with proposal guidelines. In the aftermath, guidelines were issued requesting compliance with trainee recruitment and selection criteria which were overlooked or misinterpreted by the original program staff.

In short, it appears that the auditors overlooked or failed to consider the contextual conditions of individual program implementation. The proposal provides a guideline for action but methods of operation must vary from country to country due to the varying circumstances and personnel involved.

With respect to the amount of macro-research demanded by the auditors, (such as "comparison of OIC training with comparable institutions" or "if OICI training helped fill host country's education gaps"), it was never intended that these data and analyses would be generated solely by local program staff (who are primarily trainers and administrators). Instead, the proposal stipulates that verification of goal-level performance-indicators would be available in local government reports, evaluations, surveys as well as in end-of-projects reports by OICI Central. Finally, it should be noted that more than one USAID mission (egs. Lesotho, Gambia, Freetown) have acknowledged that no comparable institutions exist which perform the same tasks undertaken by OICI in these countries.

B-6 Local OICI Accounting Systems are Inadequate (for Segregating Costs)

Per request of the auditors, OICI did already respond to this finding in writing on March 21, 1980, a response which is not referred to in the draft audit report. We stated in the March communication that OICI's Grant Fund accounting system as represented by the Chart of Accounts, the MIS and OICI's fiscal guideline requirements are adequate to record and report expenditures and to support management decisions. In terms of accounting for farm production and fund raising, we acknowledged OICI's recognition of these two distinct functions in the overall operations. Accordingly, we concurred that each of these two functions should be accounted for and reported separately, in order to permit (1) with respect to farm production, recognition of any possible gain, loss or break-even situation and (2) with respect to fund raising, recognition of excess revenue or expenditure. These tasks, we acknowledged, are the responsibility of the local program and accordingly, we assured the auditors of OICI's intention to urge (anew) the local programs to perform this task.

Having said the above, OICI would like to refer to the Ghana Project (a vocational project) which has put into effect the prescribed cost system. As of the fiscal years ending September 1978 and 1979, (1) financial reports are available relating to Fund-Raising Account. The fund-raising reports clearly contain, under the Income and Expenditure Statement, the net cost/benefit relating to fund-raising. (2) Financial reports are available relating to the Ghana Government contribution.

Hence, for the auditors to indiscriminately suggest that "local OIC accounting system is inadequate" is inaccurate and misleading. The auditors could have at least acknowledged OIC Ghana as an acceptable system already in place. In the case of Liberia, Lesotho and Sierra Leone, the projects depend for local input, on their respective governments. The state of the economy in these countries is such that the issue of fund-raising accounts as applied to these projects, at least for the period under consideration, is moot.

With respect to cost per trainee, OICI does have adequate information to determine cost. Specific documents and reports on cost per trainee based on financial records and trainee statistics were shared with auditors in the course of the audit and thru our March 21, 1980 written communication to the auditors. However, the information shared does not appear to have been considered.

The auditors would have been helpful, had they recommended a universal method of calculating cost per trainee based on defined recurrent expenditure during and at the end of a project. Such a method would have facilitated a meaningful comparison of training cost with those of other institutions. The method would have also served as a basis to pass judgement on whether or not the cost per trainee so arrived in the calculation is acceptable or exhorbitant.

C. <u>OIC Togo Accomplishments are Minimal</u>

The audit report stated that: (a) "OIC Togo accomplishments are minimal," and (b) "most of the funds had been expended in the 2½ years, and little had been accomplished." It is, however, regrettable that the auditors failed to support their contention with facts and figures. Nowhere in this section, i.e. II-C, did the auditors make reference (in their evaluation) to any of the accomplishments of OIC Togo. No reference has also been made as to how funds were spent and whether these expenditures were in accordance with actual project's needs. The absence of specifics is regrettable, considering: (a) the auditors general statement on the performance of OIC Togo, i.e. "accomplishments are minimal", "little had been accomplished," and (b) OIC Togo is one of the three projects studied by the auditors on the basis of which generalizations have been made on the effectiveness and efficiency of OICI Central Management and its field projects.

The auditors selectively quoted some of the recommendations of the January 1980 Evaluation report.* They further mentioned that "recommendations included in the evaluation report were based on data contained in OIC Togo reports", a statement which is inaccurate and misleading. On the contrary, the recommendations of the evaluation report were based on primary research and several other sources of information in addition to OIC Togo reports:

- On-site study of the production farm/training center of OIC Togo.
- Survey of OIC Togo graduates and on-site inspection of their farms.
- Research and evaluation methodology suggested by staff of the Regional Development Support Office (REDSO)/Abidjan.
- Critical review of major financial and program documents.
- Consultations with USAID/Lome, technical personnel of U.S. Embassy, local government technocrats, management of project "Vivriers" (an AID-funded agricultural and land development project in Togo), OIC Board Members, TCT and local project staffs.

It should be noted also that the evaluation team debriefed in detail USAID/Lome, REDSO/Abidjan, and AID/W. (PDC/PVC and AFR.) following the completion of the evaluation. All concerns of these parties were taken into consideration prior to the finalization of the evaluation report.* By quoting only selective parts of the recommendations, and at the same time digressing from the evaluation methodology, the auditors shortchange

*Copies of the draft report were circulated to the concerned offices of AID/W to elicit additional comments prior to completing the final report.

the essentials of the evaluation results. The net effect of this approach deprived the auditors of better understanding and assessment of the OIC Togo project performance.

The auditors also recommended that "AID should take a long hard look before making any firm decision on the future funding of OIC Togo." This recommendation was based on: (a) the auditors' earlier unsubstantiated remarks on the level of accomplishments of OIC Togo, i.e. "minimal", and (b) questionable (according to the auditors) capacity of OIC Togo farm to generate income within a reasonable period and to be financially self-sufficient. By design or default, the auditors completely ignored the revenue projections on OIC Togo farm and the necessary conditions to achieve this revenue as stated in the January, 1980 Evaluation Report on OIC Togo. Instead, by emphasizing the production aspect of OIC Togo as a pre-requisite for continued project funding, the auditors appeared to have lost sight of the primary objective of the OIC Togo project, which is to provide agricultural training to small farmers. In fact, nowhere in this section of the draft audit report, i.e. section II-C, did the auditors mention anything in relation to training and/or targetted beneficiaries of the project. By emphasizing production/profitability and disregarding the training aspect, the auditors in effect transformed a project means into a major project end. More specifically, the auditors failed to realize that the demonstration farm is meant primarily to assist trainees in their learning process and is not to maximize profit as a business venture. Although the January, 1980 evaluation recommended measures to improve yield and farm revenue, it also cautioned against preoccupation with farm profitability which might blur the major focus of the project.

As for costs of farm operations, the auditors failed to specify which reports they were referring to in stating that "the reports only reflected approximately 12% of the total cost expended in operating the farm." All costs pertaining to project operation from inception through the audited period have been fully reported to AID/W, by line items, via the monthly public vouchers. The auditors' comment would have been helpful, had the comment included the source and chosen method of calculating the total cost expended in operating the farm.

F. Grant Document Needs Improving, i.e. Recommendation No. 3 (The Office of Contract Management (SER/CM) Amend the Grant to Include a Cost Sharing Provision).

1. OICI has to date included in all its project papers a cost sharing provision for local OIC's to contribute to program cost both in in-kind and cash terms. While the in-kind contributions have been substantial, the cash contributions have been less than projected due to (a) the generally unstable economic situation of the project countries, (and (c) the inability (by and large) of the local multinational/national businesses to donate cash. This inability stems, in the main, from the unwillingness of local governments to give business tax credit for the equivalent of the donated amounts), (b) delay in local government contributions.

2. In spite of the above constraints, OIC Ghana did raise locally over a half million dollars; also, as stated earlier in our comment on Purpose No. 3, OIC Sierra Leone did receive 180,000 Leones from the Government, as of June 1980. Similarly, OIC Lesotho received in May 1980 R10,000. During the audited period, OIC Liberia received from the Government of Liberia $46,000 which was utilized for training facility renovation.

3. As already stated in Sec. F-1 above, all OICI projects do provide for a cost sharing provision, sometime after two years of operation. Here are specific examples:

Project	Year of Operation	Grant Amendment	Cost Sharing Provision
Togo	3rd	20	80,377
Sierra Leone	3rd	20	20,884
Liberia	2nd	21	44,175
Ghana	1st	5	306,600

Therefore, the recommendation of the auditors should acknowledge the existence of a cost sharing provision, while at the same time recommending the need for closer enforcement of the provision by OICI, in terms of perhaps, additional compensatory in-kind contributions, whenever cash contribution is short or unavailable.

G. Grant Costs

a) OICI's response on questioned costs has already been presented earlier in our Summary Statement on Purpose No. 4 i.e. if funds were spent in accordance with the terms of the Grant.

b) Auditors' summary page is incorrect with regard to status of Grant Funds as of September, 1979.

Amount reimbursed (sub-total)	$8,293,156.33
Advance	295,369.69
Audit Adjustments	74,900.45
Total Reimbursed	$8,601,913.65

Such a total reimbursed amount as shown does not equal what is derived by adding provided figures i.e. Figures shown, per report, add to an amount of $8,663,426.47. The difference equals $61,512.02. The figure, as provided by OICI, should equal $8,601,913.65. There is therefore, apparently, an error in one of the amounts, advance or audit adjustment.

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON D C 20523

ATTACHMENT A

May 2, 1980

Mr. Kura Abedje
Director, Finance & Administrative
OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL
240 West Tulpehocken Street
Philadelphia, PA 19144

SUBJECT: Grant No. AID/pha-G-1125

Dear Mr. Abedje:

This is in response to your letter of March 26, 1980 requesting retroactive approval of the local purchase of two trucks in Lome, Togo. I can see no requirement for a Grant Officer ruling on this. As I see it, purchases made locally with local input funds, whether they are included in the Grant budget or not, do not require Grant Officer approval. This requirement only applies to purchases made with the A.I.D. portion of the budget.

Sincerely yours,

Edward H Thomas

Edward H. Thomas
Grant Officer
Services Operations Division
Office of Contract Management

cc: AAG/W, B. Stevens

ATTACHMENT B

OIC INTERNATIONAL

OPPORTUNITIES INDUSTRIALIZATION CENTERS INTERNATIONAL INC.

240 West Tulpehocken Street • Philadelphia, PA 19144 • United States of America • Telephone: 215 842-0220 Telex: 902021 OIC INTLPHA

Rev. Leon H. Sullivan,
Founder & Chairman of the Board

Gary Robinson
Executive Director

April 17, 1980

Mr. Benjamin Stevens, AID Auditor
Department of State, AID
Room 514, SA-16
AAG/W
Washington, D.C. 20523

RE: OIC International, Inc.-USAID Audit-Year Ending 1979
Sierra Leone Project-Grant: AID/PHA G-1125

Dear Mr. Stevens:

As a follow-up to your telephone conversation with Mr. Abedje on Wednesday, April 16, 1980, please note that the proposed questioned cost regarding excess mileage reimbursement, $587.56, has been adjusted as of February 1980.

Specifically, the adjustment was as follows:

Entry to books of record, per general journal #8, February 1980

Account No.			Dr.	Cr.
1150	Other receivable	H. Boyer	$166.14	
"		G. Bailey	122.20	
"		J. Holmes	275.73	
"		E. Clinton	23.49	
4346	Local travel expense			$587.56

--to record adjustment per proposed questioned cost of USAID's audit for per ending 1979. As a result of this adjustment, Public Voucher No. 53 fiscal report, Sierra Leone Project-submitted for February 1980's business reflects a credit for the line item, travel and transportation, $587.55 (one cent error in recording). Accordingly, settlement is finalized to USAID for the proposed questioned cost (enclosed is copy of Public Voucher and Fiscal Report).

2

April 17, 1980

Mr. Benjamin Stevens, AID Auditor
Page 2

Also, note that each applicable staff person has re-paid to OICI the proposed questioned cost, i.e.,

Payroll deduction in pay period ending April 11, 1980

H. Boyer	$166.14
G. Bailey	122.20
E. Clinton	23.49

Check payment per cash receipt #046 dated April 2, 1980, for $275.73 received from J. Holmes.

I trust that from the aforementioned information, the adjustment resolves the proposed questioned cost.

Thank you for your review and consideration.

Respectfully yours,

Donald A. Green

Donald A. Green
Chief Accountant

DAG:awr

Enclosures

cc: Director, Finance & Administration

Contract No. AID/PHA G-1125
EXPENDED AND UNEXPENDED BALANCE
Analysis of Claimed Current and Cumulative Cost

Line Items	TOTAL BUDGET APPROVED	AMOUNT FOR CURRENT PERIOD BILLING	CUMULATIVE AMOUNT FROM INCEPTION TO DATE OF THIS BILLING
	10/1/76-9/30/79	2/1/80-2/29/80	10/1/76-2/29/80
Personnel			
U.S. Salaries & Fringe Benefits	$ 338,813	$	$ 347,083.59
Local Salaries & Fringe Benefits	190,430		192,751.51
Consultants	8,526		2,936.85
Allowances	197,379	(16.00)	207,011.77
Travel & Transp.	122,384	(587.55)	170,270.63
Other Direct Costs	71,927		85,648.20
Commodities/Equip.	176,942		182,367.89
Installation Infra-structure	-		
Participants Costs	15,678		6,463.48
Sub-Total	$ 1,122,079	(603.55)	1,194,533.92
Less: Local Inputs	20,884	-0-	-0-
TOTAL	$ 1,101,195	(603.55)	1,194,533.92
Excess Expenditure		603.55	(93,338.92)*
NET TOTAL COSTS	$ 1,101,195	$ -0-	$1,101,195.00

Funds obligated by AID through 09/30/79 — See attached schedul

Submissions including this voucher — See attached schedu

Uninvoiced Dollar Balance — See attached schedu

CERTIFICATE:

The undersigned hereby certifies: (1) that payment of the sum clai under the cited contract is proper and due that appropriate refund to AI will be made promptly upon request of AID in the event of non-performan in whole or in part, under the contract or for any breach of the terms the contract; and (2) that information forwarded herewith is correct an such further detailed supporting information as AID may require will be furnished promptly on request; (3) that all requirements called for in the contract to the date of this certification have been met.

*Excess expenditure pending final resolution in terms of a recommendation to USAID by OICI.

By: Kura Abedje

TYPED NAME: KURA ABEDJE

TITLE: Director, Finance/Administration

DATE: April 14, 1980

DEPARTMENT, BUREAU, OR ESTABLISHMENT AND LOCATION

Agency for International Development
SERV. Br. Office of Financial Mgmt.
FM/PAD
Universal Building, Room 607
Washington, D.C. 20523

April 14, 1980

CONTRACT NUMBER AND DATE
AID/PHA G-1125

REQUISITION NUMBER AND DATE

PAID BY

Attn: Philip Amos

PAYEE'S NAME AND ADDRESS

Opportunities Industrialization Centers,
International, Inc.
240 W. Tulpehocken Street
Philadelphia, PA 19144
Attn: Executive Director

DATE INVOICE RECEIVED

DISCOUNT TERMS

PAYEE'S ACCOUNT NUMBER

GOVERNMENT B/L NUMBER

SHIPPED FROM | TO | WEIGHT

NUMBER AND DATE OF ORDER	DATE OF DELIVERY OR SERVICE	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary)	QUANTITY	UNIT PRICE COST	UNIT PRICE PER	AMOUNT (1)
		Certified fiscal report covering expenditures attached, i.e.,				
	2/1/80	Headquarters (Central)				-0-
		Zambia				14.28
		Togo				-0-
		Ghana II				39,811.44
	to	Sierra Leone				-0-
		Liberia				-0-
		Gambia				116,221.41
		Lesotho				-0-
	2/29/80	Special Projects				4,973.35
		"Information Purposes Only"				$161,020.48
(Use continuation sheet(s) if necessary)		(Payee must NOT use the space below)		TOTAL		no payment due

PAYMENT:
- [ ] COMPLETE
- [ ] PARTIAL
- [ ] FINAL
- [ ] PROGRESS
- [ ] ADVANCE

APPROVED FOR =$

EXCHANGE RATE =$1.00

DIFFERENCES

BY [2]

TITLE

Amount verified; correct for

(Signature or initials)

Pursuant to authority vested in me, I certify that this voucher is correct and proper for payment.

(Date) (Authorized Certifying Officer) [2] (Title)

ACCOUNTING CLASSIFICATION

PAID BY

CHECK NUMBER | ON TREASURER OF THE UNITED STATES | CHECK NUMBER | ON (Name of bank)

CASH $ | DATE | PAYEE [3]

[1] When stated in foreign currency, insert name of currency.
[2] If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the space provided, over his official title.
[3] When a voucher is receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.

PER

TITLE

U.S. GOVERNMENT PRINTING OFFICE: 1976 O-213-713