

Regional Inspector General for Audit  
San José, Costa Rica

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**Audit of USAID/Guatemala's  
Highlands Agricultural Development Project  
Activities Managed by the  
General Directorate of Forests and Wildlife  
July 1, 1990 to March 31, 1992**

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Audit Report No. 1-520-94-07-N  
May 24, 1994



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Financial information contained in this report may be privileged. The restrictions of 18 USC 1905 should be considered before any information is released to the public.

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U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT



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May 24, 1994

**MEMORANDUM**

**TO:** Director USAID/Guatemala, Stacy Rhodes

**FROM:** RIG/A/San José, *Coinage N. Gothard*  
Coinage N. Gothard

**SUBJECT:** Audit of USAID/Guatemala's Highlands Agricultural Development Project, Activities Managed by the General Directorate of Forests and Wildlife, July 1, 1990 to March 31, 1992

This report presents the results of a financial audit of the Highlands Agricultural Development Project (Project), USAID/Guatemala Project No. 520-0274, covering those activities managed by the General Directorate of Forests and Wildlife (Directorate), for the period July 1, 1990 to March 31, 1992. The audit firm of Deloitte Touche Tohmatsu prepared the report dated March 4, 1994.

The purpose of the Project is to increase rural agricultural productivity and profitability. The Directorate's role in the Project was to implement activities related to integrated watershed management and reforestation. Its participation in the Project consisted basically in: (a) diminishing deforestation in the highlands due to the consumption of wood for fuel, (b) determining the feasibility of private reforestation activities, and (c) providing job opportunities in the communities where reforestation subprojects are implemented.

The Directorate was one of four Government of Guatemala implementing entities receiving funding directly from USAID/Guatemala to implement natural resources management activities under the Project. During the audit period the Directorate disbursed Project funds equivalent to \$61,576. The Project was subsequently completed on September 30, 1993.

The objectives of the audit were to determine whether: (1) the Directorate's fund accountability statement for the audited period presents fairly, in all material respects, the financial position of the Project activities it managed, (2) the Directorate's internal control structure was adequate to manage the Project's operations, and (3) the Directorate complied with agreement terms and applicable laws and regulations. The scope of the audit included an examination of the Directorate's activities and transactions to the extent considered necessary to issue a report thereon for the audit period.

Deloitte Touche Tohmatsu concluded that, except for the effects of questionable (unsupported) costs of \$8,286 related to fuel use and a lack of original documentation to support approximately \$25,473 of expenditures (only copies were kept), the Project's fund accountability statement presents fairly, in all material respects, the Project's receipts and expenditures for the audit period. Although the auditors did not question the amounts of counterpart contributions made by the Directorate to the Project, they reported that the Directorate did not maintain records to account for such contributions. Therefore, we additionally consider the full amount of the Directorate's counterpart contribution during the audited period to be unsupported.

Regarding the Directorate's internal control structure, the auditors reported three material weaknesses. The first concerned inadequate accounting records and procedures. Specifically, periodic fund accountability statements were not prepared, reconciliations were not made of funds received from Guatemala's National Treasury nor were available balances under the Project reconciled with bank and other auxiliary records, there was no system for assigning costs to individual reforestation subprojects, and separate accounts were not maintained to account for the Project's activities. The second material weakness related to inadequate controls over fuel consumption which lead the auditors to question 100 percent of expenditures for fuel. Vouchers for fuel consumption were not supported by requests, appropriate authorizations and information needed for control purposes, reconciliations were not made between consumption reported by supplying gas stations and the Directorate's authorization vouchers, and fuel consumption control books were not properly maintained. The last material weakness involved not updating employee labor contracts to reflect a Government of Guatemala decreed pay raise.

With respect to compliance with agreement terms and applicable laws and regulations, the auditors reported two material instances of noncompliance: (1) annual financial audits of the Project were not performed and (2) the Directorate did not maintain accounting records of its counterpart contributions to the Project.

The Project ended September 30, 1993 and, according to USAID/Guatemala project officers, the Mission does not plan to use the Directorate as an implementing entity in the future. Therefore, we are not recommending any action to correct procedural deficiencies identified by the auditors with respect to the Directorate's internal control structure and compliance. ***However, we strongly suggest that USAID/Guatemala obtain a full accounting of the Government of Guatemala counterpart contributions provided to the Project over its life through the General Directorate of Forests and Wildlife, taking appropriate actions should shortfalls be noted.***

We are including the following recommendation in the Office of the Inspector General's audit recommendation follow-up system.

**Recommendation No. 1**

***We recommend that USAID/Guatemala resolve the questionable (unsupported) costs of \$8,286 identified in the Deloitte Touche Tohmatsu report dated March 4, 1994, and recover from the General Directorate of Forests and Wildlife the amounts determined to be unallowable.***

Recommendation No. 1 will be considered resolved upon the Mission's determination of the amount of recovery, and will be considered closed upon the recovery of funds, offset of funds, or issuance of a Bill for Collection.

The report was discussed with representatives from the Directorate's management who indicated disagreement with certain report conclusions regarding the adequacy of the Directorate's records. Additionally the Directorate's management considered that there was considerable evidence to suggest that incurred fuel costs were applied to the Project. Therefore, the Directorate's management disagreed that the full amount of its fuel costs should be considered as questionable costs. The Directorate's comments are included as Annex I to the Deloitte Touche Tohmatsu audit report.

This final audit report is being transmitted to you for your action. Please advise this office within 30 days of actions planned or taken to resolve and close the recommendation.

**Regional Inspector General for Audit  
San José, Costa Rica**

**Audit of USAID/Guatemala's  
Highlands Agricultural Development Project  
Activities Managed by the  
General Directorate of Forests and Wildlife  
July 1, 1990 to March 31, 1992**

**Audit Report No. 1-520-94-07-N  
May 24, 1994**



AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
WILDLIFE (DIGEBOS)  
USAID/GUATEMALA PROJECT No. 520-0274



AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
WILDLIFE (DIGEBOS)  
USAID/GUATEMALA PROJECT No. 520-0274

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March 4, 1994

Mr. Coinage N. Gothard  
Regional Inspector General for Audit  
United States International Development Agency  
San Jose, Costa Rica, C.A.

Dear Mr. Gothard:

This report presents the results of our audit of the Highlands Agricultural Development Project, USAID/Guatemala Project No. 520-0274, component implemented by the General Directorate of Forests and Wildlife (DIGEBOS) for the period from July 1, 1990 to March 31, 1992.

## BACKGROUND

On September 30, 1983, the United States Government through the Agency For International Development, Mission to Guatemala (USAID/Guatemala) and the Government of Guatemala (GOG), represented by the Treasury Department; the General Secretariat of the National Economic Planning Council; the Ministry of Communications, Transportation, and Public Works, and the Ministry of Agriculture, Livestock and Food, signed Loan Agreement No. 520-T-037 for US\$13,500,000 and Grant Agreement No. 520-0274 for US\$18,316,046. The project assistance completion date was extended to September 30, 1993.

The purpose of this project is to increase rural agricultural productivity and profitability. This would be accomplished through development of diversified commercial agriculture, expanded emphasis on irrigated farm systems, and transfer of production technology and marketing services to small farmers. With the exception of the Department of Petèn, the project area is the entire country.



The principal components of the project are:

- . Management of natural resources, which comprises: a) Soil conservation activity; b) Small irrigation systems construction; c) Credit fund and social payments; and d) Reforestation activity.
- . Access road program, which comprises: a) Access road maintenance with intensive utilization of manual labor, aided by heavy equipment; b) Maintenance of heavy equipment for construction programs and maintenance of access roads; c) Mapping, promotion, and planning of the access road program; and
- . Basic study, evaluations and audits of the project.

The Government of Guatemala must provide counterpart funds to the Highlands Agricultural Development Project according to the conditions contained in the loan and grant agreements for Q.8,831,294 (equivalent to US\$8,831,294) and Q.29,071,171 (equivalent to US\$29,071,171) respectively.

The project is executed through six institutions of the Government of Guatemala, described as follows:

The General Directorate of Forests and Wildlife (DIGEBOS) forms part of the Ministry of Agriculture, Livestock and Food (MAGA), and its participation in the project consisted basically in a) diminishing deforestation in the highlands due to the consumption of wood for fuel; b) determining the feasibility of private reforestation activities, and c) providing job opportunities in the communities where reforestation subprojects will be developed.

The geographical area of work was set in Region VI, in the departments of Quetzaltenango, Huehuetenango, Totonicapán and San Marcos, providing the rural communities of said region with technical assistance, and also some goods and tools necessary in the development of the project's activities.

The Project Administration Unit (UAP) for the Highlands Agricultural Development Project was formed in 1989 specifically to coordinate project activities. This includes processing reimbursement requests from implementing entities; receipt and management of funds provided by USAID/Guatemala and the counterparts; local procurement and contracting; and the consolidation of the project's financial information based on fund accountability statements or other financial statements prepared by the implementing entities. Under the project's established procedures, MAGA has the authority to review and approve UAP activities.



The other four Government institutions of the agricultural sector participating in the project, are:

- . The National Bank for Agricultural Development (BANDESA) receives project funds directly from USAID/Guatemala for the project's trust fund and provides loans to qualified small and medium-size farmers.
- . The General Directorate for Agricultural Services (DIGESA) receives project funds directly from USAID/Guatemala and is responsible for project activities involving the transfer of agricultural technology for crop production of vegetables, fruits, deciduous trees, soil preservation, and for small-scale irrigation works. DIGESA is also responsible for project activities involving extension and technical assistance services for promotion, planning, credit arrangements, and the design and construction of small-scale irrigation systems and soil conservation structures.
- . The Institute of Agricultural Science and Technology (ICTA) receives project funding through UAP. Its role in the project is to research and adapt technology for improving fruits and vegetables, and to improve the agricultural technical training provided to small farmers by DIGESA.
- . The General Directorate for Livestock Services (DIGESEPE) receives project funding through UAP. Its role in the project is to develop, in coordination with the other participating entities, livestock extension activities for cows, pigs, sheep, and poultry, focusing primarily on improving management production practices related to disease and parasite control, and nutrition/feed supply, with special emphasis on using animal waste products for fertilizer and plant waste products for animal feed.

#### AUDIT OBJECTIVES AND SCOPE

The general objective was to perform an audit of the Highlands Agricultural Development Project, USAID/Guatemala Project No. 520-0274, component implemented by the General Directorate of Forests and Wildlife (DIGEBOS), for the period from July 1, 1990 to March 31, 1992. Our audit was performed in accordance with generally accepted auditing standards established by The American Institute of Certified Public Accountants (AICPA) and the U.S. Comptroller General's "Government Auditing Standards" (1988 Revision), and accordingly included such tests of the accounting records as we considered necessary under the circumstances.

Our audit was performed to determine whether:



- a) The fund accountability statement for the project presents fairly, in all material respects, the financial situation of the project activities implemented by DIGEBOS from July 1, 1990 to March 31, 1992, and if costs reported as incurred and reimbursed by USAID/Guatemala during the period are allowable, allocable, and reasonable in accordance with agreement terms, and applicable laws and regulations.
- b) The internal control structure of DIGEBOS is adequate to manage project operations.
- c) DIGEBOS complied with agreement terms, and applicable laws and regulations which may affect project goals and incurred costs.
- d) DIGEBOS has taken adequate corrective actions on prior audit recommendations.

The scope of our work consisted of:

1. Auditing the fund accountability statement of the project to:
  - a) Examine the fund accountability statement including the budgeted amounts by category and major items, costs reported as incurred during the audit period, and revenues received from USAID/Guatemala for that period.
  - b) Examine whether the fund accountability statement included separate identification of those revenues and costs applicable to the project, but did not include counterpart contributions, nor direct procurement by USAID/Guatemala of vehicles, equipment, commodities, and technical assistance provided to the project; whether required counterpart contributions have been provided in accordance with the agreement, and to verify that direct USAID/Guatemala procurement is accounted for and control procedures exist to adequately safeguard such assets.
  - c) Examine whether the amount received from USAID/Guatemala less the costs incurred, reconcile with the balance in banks at the end of the period.
  - d) Our work also included evaluations of project implementation actions and accomplishments to determine that costs incurred are allowable, allocable and reasonable under the agreement terms, and to identify areas where fraud, waste, abuse and mismanagement exist or could exist as a result of inadequate controls.



2. Reviewing and evaluating the implementation of DIGEBOS's internal control structure to obtain a sufficient understanding of the design of relevant control policies and procedures and whether those policies and procedures have been placed in operation.
3. Determining whether DIGEBOS has complied, in all material respects, with agreement terms, project implementation letters, and applicable laws and regulations, and identifying those aspects of noncompliance which could have a direct and material effect on the fund accountability statement.

## RESULTS OF THE AUDIT

### Fund Accountability Statement

The results of our audit of the fund accountability statement of the Highlands Agricultural Development Project, USAID/Guatemala Project No. 520-0274, component implemented by the General Directorate of Forests and Wildlife (DIGEBOS), disclose that, except for the effects of adjustments, if any, which might have been determined to be necessary had we been able to review the original supporting documents of the period from July 1, to December 31, 1990 for Q.115,890 (approximately US\$25,473), and for certain costs of Q.40,397 (approximately US\$8,286) which are considered to be questionable (unsupported) as explained in Note 4, the accompanying fund accountability statement presents fairly, in all material respects, the financial activities of the Highlands Agricultural Development Project for the period from July 1, 1990 to March 31, 1992.

The Government of Guatemala promised to provide counterpart funds to the Highlands Agricultural Development Project of Q.8,831,294 (equivalent to US\$8,831,294) and Q.29,071,171 (equivalent to US\$29,071,171) for the loan and grant agreements respectively; however, DIGESA and DIGEBOS did not submit accounting records of their counterpart contributions. UAP has contributed Q.110,392 (equivalent to US\$110,392), but there are no counterpart records from ICTA nor DIGESEPE. The Government has contributed through BANDESA Q.11,236,915 (equivalent to US\$11,236,915) as counterpart funds. The total amount of contributions represents 30% of the total counterpart funds which the Government must contribute. September 30, 1993 is the date programmed for the project's termination.

### Internal Control Structure

Our study and evaluation of the internal control structure revealed some matters related with its operation which we consider to be reportable conditions in accordance with the standards established by the American Institute of Certified



Public Accountants and the "Government Auditing Standards" (1988 Revision), issued by the Comptroller General of the United States. Reportable conditions involve matters coming to our attention related to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect DIGEBOS's ability to record, process, summarize, and report financial data consistent with the assertions of management in the fund accountability statement.

The reportable conditions, all of which we considered material weaknesses, are the following:

1. Inadequate record keeping.
2. Deviations in the control of fuel consumption.
3. Outdated labor contracts.

Compliance with Agreement Terms and Applicable Laws and Regulations

As a part of obtaining reasonable assurance about whether the fund accountability statement is free of material misstatement and in order to form an opinion on compliance with agreement terms and applicable laws and regulations, we performed tests to determine whether DIGEBOS complied with agreement terms and applicable laws and regulations which may affect the funds received from USAID and the funds disbursed by DIGEBOS.

Our tests of compliance disclosed the following material instances of noncompliance:

1. Audits were not performed.
2. Lack of accounting records of Government counterpart funds.

The results of our tests of compliance indicate that, for items tested, except for the items mentioned above, DIGEBOS complied, in all important aspects, with the agreement terms and with the applicable laws and regulations which could affect the project. For items not tested, nothing came to our attention which would lead us to believe that DIGEBOS has not complied, in all significant aspects, with the agreement terms and laws and regulations which could affect the funds received from USAID and those disbursed by DIGEBOS.

Follow-up on Prior Audit Recommendations

As a result of our tests on the status of the findings and recommendations of the prior audit report dated January 29, 1991, we observed that the necessary corrective actions have not been taken for the following findings:

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A. Internal Control Structure

- . Inadequate accounting system.

B. Compliance with Agreement Terms and Applicable Laws and Regulations

- . The institution accounting records were not kept separate from those of the project.
- . Lack of information regarding the counterpart funds.
- . We were not able to examine the accounting records of INAFOR.

MANAGEMENT COMMENTS

This report was discussed on August 4, 1993 by representatives of our Firm and with DIGEBOS management represented by Sergio Bojorges, Audit Department and Julio Fernando Morejón Mayén Administration Department. As a result of this discussion, in general DIGEBOS indicated that it does not agree mainly with the questioned costs as explained in its comments.

DIGEBOS provided the bank reconciliations of the project accounts for our review and the report was modified excluding this finding. However, for the other findings and questioned costs it did not provide additional documents, therefore there is no effect on our opinions or the questionable costs amount based on our audit.

DELOITTE TOUCHE TOHMATSU

Lic. Rolando Lara Leiva



AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
WILDLIFE (DIGEBOS)  
USAID/GUATEMALA PROJECT No. 520-0274

REPORT ON THE FUND ACCOUNTABILITY STATEMENT  
INDEPENDENT AUDITORS' REPORT

We have audited the accompanying fund accountability statement of the Highlands Agricultural Development Project, USAID/Guatemala Project No. 520-0274, component implemented by the General Directorate of Forests and Wildlife (DIGEBOS), for the period from July 1, 1990 to March 31, 1992. This fund accountability statement is the responsibility of DIGEBOS management. Our responsibility is to express an opinion on this fund accountability statement based on our audit.

Except as discussed in the next paragraph, we conducted our audit in accordance with generally accepted auditing standards and the "Government Auditing Standards" (1988 Revision) issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the fund accountability statement is free of material misstatement. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the fund accountability statement. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall fund accountability statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not have an external quality control review by an unaffiliated audit organization as required in paragraph 46 chapter 3 of Government Auditing Standards, since no such quality review program is offered by professional organizations in Guatemala. We believe that the effect of this departure from the audit requirements of Government Auditing Standards is not material, because we participate in the Deloitte Touche Tohmatsu International worldwide internal quality control program which



requires the Deloitte Touche Tohmatsu Guatemala office to be subjected, every three years, to an extensive quality control review by partners and managers from other Deloitte Touche Tohmatsu offices.

The original supporting documentation for the period from July 1 to December 31, 1990 for Q.115,890 (approximately US\$25,473) was sent by DIGEBOS to the National Comptroller's Office where it was destroyed. Consequently we could not review the original supporting documentation, however we reviewed photocopies of said documentation in USAID/Guatemala files.

As described in Note 4 to the fund accountability statement, expenditures in the amount of Q.40,397 (approximately US\$8,286) were considered as questionable (unsupported) costs.

As described in Note 1, the fund accountability statement was prepared on a cash basis; which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, except for the effects of adjustments, if any, which might have been determined to be necessary had we been able to review the original supporting documentation and for the questionable costs described in the fourth and fifth paragraph, the fund accountability statement referred to above, presents fairly, in all material respects, the funds received and the disbursements made by the Highlands Agricultural Development Project, USAID/Guatemala Project No. 520-0274, for the period from July 1, 1990 to March 31, 1992, in accordance with the accounting basis described in Note 1.

This report is intended solely for the information and use of the General Directorate of Forests and Wildlife (DIGEBOS) and the United States Agency for International Development (USAID). This restriction is not intended to limit the distribution of this report, which upon acceptance by the Office of the Inspector General, is a matter of public record.

*Deloitte Touche Tohmatsu*

March 5, 1993  
Guatemala, C. A.

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AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
 COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
 WILDLIFE (DIGEBOS)  
 USAID/GUATEMALA PROJECT No. 520-0274

FUND ACCOUNTABILITY STATEMENT  
 For the period from July 1, 1990 to March 31, 1992  
 (Expressed in Quetzales)

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	<u>Total</u>	<u>Questionable Costs</u>
<u>REVENUE:</u>		
Funds received through the State's Global Rotative Fund on account for Project No. 520-0274	Q. <u>311,574</u>	
	<u>311,574</u>	
<u>EXPENDITURES:</u>		
Personal services	232,434	
Fuel	40,397	Q. 40,397
Material and supplies	29,828	
Per-diem labor	7,165	
Machinery and equipment	<u>1,750</u>	
	<u>311,574</u>	Q. 40,397 =====
Balance	Q. - =====	

See accompanying notes to this statement.

AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
WILDLIFE (DIGEBOS)  
USAID/GUATEMALA PROJECT No. 520-0274

NOTES TO THE FUND ACCOUNTABILITY STATEMENT

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1. THE INSTITUTION AND SIGNIFICANT ACCOUNTING POLICIES

The Institution - The General Directorate of Forests and Wildlife (Dirección General de Bosques y Vida Silvestre -DIGEBOS), formerly the National Forestry Institute (INAFOR), was created in June 1988 by GOG Executive Order No. 392-88, and its purposes were to design and execute a national policy for the development and regulation of the forestry and wildlife resources.

DIGEBOS participation in the project consisted basically in a) diminishing deforestation in the Highlands due to the consumption of wood for fuel; b) determining the feasibility of private reforestation activities, and c) providing job opportunities in the communities where reforestation subprojects will be developed.

The geographical area of work was set in Region VI, in the departments of Quetzaltenango, Huehuetenango, Totonicapán and San Marcos, providing the rural communities of said region with technical assistance and also some goods and tools necessary in the development of the project's activities.

Significant Project Accounting Policies - A summary of significant accounting policies used by DIGEBOS to prepare the project's fund accountability statement follows:

- a. Presentation Base - The enclosed fund accountability statement includes the revenue and expenditures of the Highlands Agricultural Development Project implemented by the General Directorate of Forests and Wildlife (DIGEBOS).
- b. Accounting Base - The project's fund accountability statement is prepared on a cash basis, in which USAID/Guatemala reimburses the funds against the expenditure documents supported by DIGEBOS. These expenditures are paid previously by the Government of Guatemala. Consequently, the expenditures shown in the fund accountability statement are the same amount as the revenues received.

## 2. LOAN AND GRANT AGREEMENT

On September 30, 1983, the United States Government through the Agency for International Development, Guatemala Mission (USAID/Guatemala) and the Government of Guatemala (GOG) represented by the Treasury Department; the General Secretariat of the National Economic Planning Council; the Ministry of Communications, Transportation, and Public Works; and the Ministry of Agriculture, Livestock, and Food, signed Loan Agreement No. 520-T-037 for US\$13,500,000 and Grant Agreement No. 520-0274 for US\$18,316,046. The project assistance completion date was extended to September 30, 1993.

The purpose of the project is to increase rural agricultural productivity and profitability. This would be accomplished through the development of diversified commercial agriculture, expanded emphasis on irrigated farm systems, and transfer of production technology and marketing services to small farmers. With the exception of the Department of Peten, the project area is the entire country.

The principal components of the project are:

- . Management of natural resources, which comprises: a) Soil conservation activity; b) Small irrigation systems construction; c) Credit fund and social payments; and d) Reforestation activity.
- . Access road program, which comprises: a) Access road maintenance with intensive utilization of manual labor, aided by heavy equipment; b) Maintenance of heavy equipment for construction programs and maintenance of access roads; c) Mapping, promotion, and planning of the access road program; and
- . Basic study, evaluations and audits of the project.

## 3. COMMITMENTS

The Government of Guatemala must provide counterpart funds to the Highlands Agricultural Development Project according to the conditions contained in the loan and grant agreements for Q.8,831,294 (equivalent to US\$8,831,294) and Q.29,071,171 (equivalent to US\$29,071,171) respectively. DIGEBOS did not submit accounting records of its Government counterpart funds.

4. QUESTIONABLE (UNSUPPORTED) COSTS

. Disbursements for fuel that do not have a requisition for the control of mileage and fuel, vehicle data and authorization for the commission:

<u>Purchase Order and Payment</u>	<u>Amount</u>
324-90	Q. 4,600
335-90	4,630
874-90	1,089
1227-90	9,992
32-91	5,265
209-91	5,288
392-91	4,037
525-91	<u>5,496</u>
Total Questionable Costs	Q.40,397 =====
Approximately	US\$ 8,286 =====

5. MONETARY UNIT

The fund accountability statement and their notes are reported in Quetzales (Q.), the monetary unit of Guatemala. Foreign currency transactions in Guatemala must be carried out through the banking system. The exchange rate in comparison to the Dollar of the United States of America was liberated on November 6, 1989 by the Monetary Board, eliminating those market rates operating prior to such date, with the exchange rate being determined according to supply and demand. As of March 31, 1992, the exchange rate was Q.5.06:US\$1.

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AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
WILDLIFE (DIGEBOS)  
USAID/GUATEMALA PROJECT No. 520-0274

INTERNAL CONTROL STRUCTURE  
INDEPENDENT AUDITORS' REPORT

We have audited the fund accountability statement of the Highlands Agricultural Development Project, USAID/Guatemala Project No. 520-0274, component implemented by the General Directorate of Forests and Wildlife (DIGEBOS), for the period from July 1, 1990 to March 31, 1992, and we have issued our report thereon dated March 5, 1993 in which we qualified our opinion because original supporting documentation for the period July 1 to December 31, 1990 was missing and certain costs were considered to be questionable.

Except for not conducting an external quality control review by an unaffiliated organization as further described in our report on the fund accountability statement, we conducted our audit in accordance with generally accepted auditing standards and the "Government Audit Standards" (1988 Revision), issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the fund accountability statement is free of material misstatement.

In planning and performing our audit of the fund accountability statement of the Highlands Agricultural Development Project, USAID/Guatemala Project No. 520-0274, for the period from July 1, 1990 to March 31, 1992, we considered the internal control structure applied by DIGEBOS, in order to determine the auditing procedures necessary for us to express our opinion on the fund accountability statement, and not to provide assurance on the internal control structure.

The management of DIGEBOS is responsible for establishing and maintaining an internal control structure to manage the project's activities. In fulfilling this responsibility, estimates and

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judgments made by management are required to assess the expected benefits and related costs of the policies and procedures of the internal control structure. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to allow the preparation of the fund accountability statement in accordance with the accounting basis established. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant policies and procedures of the internal control structure in the following categories: accounting and budgetary control system; procurement system; payroll controls; fuel consumption; per-diem labor; and controls over direct USAID/Guatemala procurement.

For all of the internal control structure categories listed above, we obtained an understanding of the relevant policies and procedures and whether they had been placed in operation. We also assessed control risk.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the fund accountability statement.

As described in finding Nos. 1 to 3 of this report, the records are inadequately kept; there existed deviations on fuel consumption control, and the labor contracts were not updated.

A material weakness is a reportable condition in which the design or operation of the specific elements in the internal control structure do not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the fund accountability statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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Our consideration of the internal control structure would not necessarily disclose all matters that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe that the reportable conditions described in finding Nos. 1 to 3 of this report are material weaknesses.

This report is intended solely for the information and use of the General Directorate of Forests and Wildlife (DIGEBOS), and the United States Agency for International Development (USAID). This restriction is not intended to limit the distribution of this report, which upon acceptance by the Office of the Inspector General, is a matter of public record.

*Deloitte Touche Tohmatsu*

March 5, 1993  
Guatemala, C. A.

AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
WILDLIFE (DIGEBOS)  
USAID/GUATEMALA PROJECT No. 520-0274

INTERNAL CONTROL STRUCTURE  
FINDINGS

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1. Inadequate Records Keeping

Condition:

In the evaluation of the accounting records of the project, we noticed the following deficiencies:

- A. There are no periodic fund accountability statements made, nor is the project's available balance reconciled to bank records or other auxiliary records. The fund accountability statement to March 31, 1992, was prepared due to an audit requirement, and did not include the budgeted amounts for each one of the project's activities.
- B. The execution of the project, according to the accounting records of DIGEBOS, is not reconciled periodically with the execution provided by the Treasury Department (MFP), causing reconciling entries not to be identified on time.
- C. There was no implementation of a costing system allowing a determination of the value of individually reforested areas. As at March 31, 1992, an integration was prepared indicating the localization and measurement of reforested areas, without including the cost of each plantation.
- D. DIGEBOS did not operate individual accounting records for the project. The project transactions are registered as budgetary execution in the Institution's records.

Criterion:

Annex II, Section B-5 of the grant agreement and the mandatory standard provision No. 2 of USAID, require that books and records be kept according to generally accepted accounting principles, to support the project's disbursements for three years after the last disbursement date.

The reports which contain financial information must be reconciled with the project's accounting records.

Cause:

- A. DIGEBOS did not assign a responsible person to verify compliance with USAID requirements, and it did not receive the budget information.
- B. The accounting records of DIGEBOS are not reconciled with the Treasury Department information, because at the beginning of each year, the budget is modified and the funds from the previous year which have not been used are withdrawn.

Effect:

The fund accountability statement may contain errors that may not be detected.

Recommendation:

We recommend that DIGEBOS make an evaluation of the accounting system structure, verifying that it complies with, at least, the following:

- A. Preparation of periodic fund accountability statements according with USAID requirements including the reconciliation of the indicated available balance with bank records and other applicable auxiliary records.
- B. Periodic reconciliation of the accounting records of the project with the Treasury Department's (MFP) execution.
- C. Set up a costing system which allows it to value each one of the reforested areas.
- D. Operation of individual accounting records for each project.

2. Deviations in the Fuel Consumption Control

Condition:

- A. From a sample of 39 vouchers of fuel consumption, none has a corresponding request. The request must have vehicle information, control of fuel and mileage, commission data, name of the driver, and signatures of the persons responsible for the commission, authorization for said commission, and authorization for fuel.
- B. DIGEBOS did not make monthly reconciliations of fuel consumption, according to its control records, with the fuel received from the gas stations.

- C. The fuel control records show the following deficiencies:
- a. To the date of our exam, they show the following balance even though the fuel was completely used:

. Central Offices	Q.783
. Regional VI-Quetzaltenango	Q.746
  - b. The Regional VI-Quetzaltenango's fuel consumption control book is not authorized by the National Comptroller's Office and some operations were entered by pencil.
  - c. The purchase and consumption of fuel operations from DIGEBOS Central Offices corresponding to the period from October 1989 to April 1991, were not opportunely registered in the control book, because the control book was turned over to the Nation's Comptroller General Offices for authorization and not returned to DIGEBOS until April 29, 1991.

Criterion:

- A. According to the fuel regulations of DIGEBOS, every fuel consumption must have a voucher supporting its utilization and authorization. There must also be a reconciliation at the end of each month, between the fuel consumption reported by the supplying gas station and the DIGEBOS authorization vouchers.
- B. The fuel consumption control books must be authorized by the Nation's Comptroller General's Office, recording the operations at the moment in which they are made, and in such a manner that does not allow the modification or alteration of its data.

Cause:

- A. The fuel vouchers were submitted and used based on the project's programmed activities.
- B. Supplying gas stations did not report fuel consumptions to DIGEBOS during the years of 1990 and 1991. It was therefore impossible to prepare reconciliations.
- C. DIGEBOS management did not control the project's fuel consumption records.

Effect:

Lack of evidence does not permit us to determine whether disbursements for fuel are allowable, allocable and reasonable for the project. It consequently originated questionable (unsupported) costs of Q.40,397 (approximately US\$8,286).

Recommendation:

- A. We recommend that DIGEBOS prepare reports containing the following information:
  - a. Reconciliations of fuel consumption by comparing control records with vouchers issued by the supplying gas tations.
  - b. Reconciliation of fuel reported in the fund accountability statement with the project's activities effectively performed in accordance to the activities programmed.
- B. We recommend that in future projects, DIGEBOS establish adequate procedures for the verification and compliance of controls for fuel consumption.

3. Outdated Labor Contracts

Condition:

None of the Quetzaltenango Regional employees which appear in the payroll had their working contract updated with the salary increase granted through Government Decree No. 550-91, of August 1, 1991.

Criterion:

Working contracts must be updated for all salary modifications.

Cause:

The working contracts were not updated because the authorization for salary increase is documented with the corresponding Government Decree.

Effect:

Incomplete personnel files render the finding of the authorizations difficult.

Recommendation:

We recommend that DIGEBOS establish procedures to verify that all contracts be updated in accordance to salary modifications.

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AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
WILDLIFE (DIGEBOS)  
USAID/GUATEMALA PROJECT No. 520-0274

COMPLIANCE WITH AGREEMENT TERMS  
AND APPLICABLE LAWS AND REGULATIONS  
INDEPENDENT AUDITORS' REPORT

We have audited the fund accountability statement of the Highlands Agricultural Development Project, USAID/Guatemala Project No. 520-0274, component implemented by the General Directorate of Forests and Wildlife (DIGEBOS), for the period from July 1, 1990 to March 31, 1992, and have issued our report thereon dated March 5, 1993, in which we qualified our opinion because original supporting documentation for the period July 1 to December 31, 1990 was missing and certain costs were considered to be questionable.

Except for not conducting an external quality control review by an unaffiliated organization as further described in our report on the fund accountability statement, we conducted our audit in accordance with generally accepted auditing standards and the "Government Audit Standards" (1988 Revision) issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the fund accountability statement is free of material misstatement.

Compliance with agreement terms and laws and regulations applicable to the Highlands Agricultural Development Project, USAID/Guatemala Project No. 520-0274, is the responsibility of DIGEBOS's management. As part of obtaining reasonable assurance about whether the fund accountability statement is free of material misstatement, we performed tests on DIGEBOS of its compliance with certain provisions of laws, regulations and agreement terms. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.



Material instances of noncompliance are failures to follow requirements, or violations of prohibitions, contained in agreements, statutes or regulations, that caused us to conclude that the aggregation of the misstatements resulting from those failures or violations is material to the fund accountability statement. The results of our tests of compliance disclosed the following material instances of noncompliance.

As described in finding Nos. 1 and 2 of this report, DIGEBOS did not perform annual audits of the project and did not operate individual accounting records for the Government counterpart funds.

We considered these material instances of noncompliance in forming our opinion on whether the fund accountability statement of the Highlands Agricultural Development Project, USAID/Guatemala Project No. 520-0274, for the period from July 1, 1990 to March 31, 1992, is presented fairly, in all material respects, in conformity with the accounting basis used. This report does not affect our opinion dated March 5, 1993 on the fund accountability statement.

Except as described above, the results of our tests of compliance indicate that, with respect to the items tested, DIGEBOS complied, in all material respects, with the provisions referred to in the third paragraph of this report, and with respect to items not tested, nothing came to our attention that caused us to believe that DIGEBOS had not complied, in all material respects, with those provisions.

This report is intended solely for the information and use of the General Directorate of Forests and Wildlife (DIGEBOS) and the United States Agency for International Development (USAID). This restriction is not intended to limit the distribution of this report, which upon acceptance by the Office of the Inspector General, is a matter of public record.

*Deloitte Touche Tohmatsu*

March 5, 1993  
Guatemala, C. A.

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AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
WILDLIFE (DIGEBOS)  
USAID/GUATEMALA PROJECT No. 520-0274

COMPLIANCE WITH AGREEMENT TERMS AND  
APPLICABLE LAWS AND REGULATIONS  
FINDINGS

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1. Audits were not Performed

Condition:

DIGEBOS did not perform annual audits of the project.

Criterion:

Section 5.3 and amendment No. 3 Section 5.5. c) of the grant agreement, establish that the grantee must make the necessary arrangements to perform independent, annual financial audits with grant funds, in accordance with generally accepted audit standards of the financial activities within the project.

Cause:

Project audits were not performed because it was considered that contracting for said service was the responsibility of USAID/Guatemala.

Effect:

- A. Noncompliance with the agreement.
- B. Errors and irregularities may occur and not be timely detected.

Recommendation:

We recommend that DIGEBOS coordinate the procedures to effect contracting for the annual audit service with USAID/Guatemala.

2. Lack of Accounting Records of Government Counterpart Funds

Condition:

DIGEBOS did not operate individual accounting records for the Government counterpart funds.

Criterion:

Section 3.2 and amendments to the loan and grant agreements, establish that the Government of the Republic of Guatemala must contribute to the project counterpart funds, US\$8,831,294 and US\$29,071,171 respectively, as indicated in Note 3 of the fund accountability statement.

Cause:

DIGEBOS did not operate auxiliary records for the control of national counterpart funds.

Effect:

Limitation in being able to determine the total amount of DIGEBOS's participation as part of the Government of Guatemala's counterpart.

Recommendation:

We recommend that DIGEBOS operate individual accounting records of the funds granted to the project as Government counterpart.

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AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
WILDLIFE (DIGEBOS)  
USAID/GUATEMALA PROJECT No. 520-0274

FOLLOW-UP ON PRIOR AUDIT RECOMMENDATIONS

INTERNAL CONTROL STRUCTURE

Finding No. 1:

The accounting system was not adequate to record, process, and report complete and reliable financial data on the project's components, for which DIGEBOS, is responsible.

Prior Recommendation:

DIGEBOS should implement an accounting system adequate to its purposes and to report on all project activities carried out, regardless of the source of financing.

Follow-up:

In force. See Finding No. 1 of the report on internal control structure.

Finding No. 2:

There was a lack of appropriate controls over the purchase and payment orders, which were annuled after their issuance, a situation that precluded their inclusion in the entity's budget execution reports.

Prior Recommendation:

All purchase and payment orders annuled for any reason should be immediately reported to the entity's budget execution control section to preclude their inclusion in the related budget execution reports.

Follow-up:

Complied with.

Finding No. 3:

Project assets acquired by INAFOR were neither adequately accounted for nor controlled in their entirety by DIGEBOS'S records.

Prior Recommendation:

All assets acquired should be identified in full at the time they are received for a proper incorporation in the entity's records. This recommendation should be complemented by periodic physical inventories to assure a better control over assets and enhance the reliability of the reports on the use of project funds.

Follow-up:

Complied with.

COMPLIANCE WITH AGREEMENT TERMS AND APPLICABLE LAWS AND REGULATIONS

Finding No. 1:

DIGEBOS did not comply with certain terms, conditions, and requirements established by the loan and grant agreements as follows:

- a. No separate accounting records were maintained to register the project operations.
- b. There was lack of information regarding the counterpart funds which DIGEBOS was required to contribute to the project.
- c. The accounting records maintained by INAFOR since the project inception (1985) through July 4, 1988, could not be examined.
- d. Not all the fixed assets were exclusively used by employees working directly for the project.

Prior Recommendation:

DIGEBOS's management should communicate in writing to USAID/Guatemala what and when specific actions will be taken to remedy the conditions noted by the audit.

Follow-up:

- . Points a and b, are in force. See Finding No. 1 of the report on the internal control structure, and No. 2 of the report on compliance with agreement terms and applicable laws and regulations.
- . Point c, is in force. DIGEBOS does not have INAFOR's accounting records.
- . Point d, complied with.

Finding No. 2:

Private reforestation projects, whose benefits are doubtful to be extended to the neighboring communities, are in process.

Prior Recommendation:

DIGEBOS should evaluate the status of these projects and all decisions taken should be confirmed with USAID/Guatemala, in writing, as evidence of what is the general understanding regarding the attainment of project goals.

Follow-up:

Complied with.

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AUDIT OF THE HIGHLANDS AGRICULTURAL DEVELOPMENT PROJECT  
COMPONENT IMPLEMENTED BY THE GENERAL DIRECTORATE OF FORESTS AND  
WILDLIFE (DIGEBOS)  
USAID/GUATEMALA PROJECT No. 520-0274

LIST OF REPORT RECOMMENDATIONS

INTERNAL CONTROL STRUCTURE

1. Inadequate Records Keeping

Recommendation:

We recommend that DIGEBOS make an evaluation of the accounting system structure, verifying that it complies with, at least, the following:

- A. Preparation of periodic fund accountability statements according to USAID requirements including the reconciliation of the indicated available balance with bank records and other applicable auxiliary records.
- B. Periodic reconciliation of the accounting records of the project with the Treasury Department's (MFP) execution.
- C. Set up a costing system which allows it to value each one of the reforested areas.
- D. Operation of individual accounting records for each project.

2. Deviations in the Fuel Consumption Control

Recommendation:

- A. We recommend that DIGEBOS prepare reports containing the following information:
  - a. Reconciliation of fuel consumption by comparing control records with vouchers issued by the supplying gas stations.
  - b. Reconciliation of fuel reported in the fund accountability statement with the project's activities effectively performed in accordance with the activities programmed.

B. We recommend that in future projects, DIGEBOS establish adequate procedures for the verification and compliance of controls for fuel consumption.

3. Outdated Labor Contracts

Recommendation:

We recommend that DIGEBOS establish procedures to verify that all contracts be updated in accordance to salary modifications.

COMPLIANCE WITH AGREEMENT TERMS AND APPLICABLE LAWS AND REGULATIONS

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1. Audits were not Performed

Recommendation:

We recommend that DIGEBOS coordinate the procedures to effect contracting for the annual audit service with USAID/Guatemala.

2. Lack of Accounting Records of Government Counterpart Funds

Recommendation:

We recommend that DIGEBOS operate individual accounting records of the funds granted to the project as Government counterpart.

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# Sector Público Agropecuario y de Alimentación

**DIGEBOS DIRECCION GENERAL DE BOSQUES  
Y VIDA SILVESTRE.**

ANNEX I

DG-757-93-AF

Guatemala, 10 de agosto de 1993

Señores  
DELOITTE TOUCHE TOHMATSU INTERNATIONAL  
Representantes en Guatemala  
Lara & González, CPA  
7a. Av. 7-11, Zona 9  
Ciudad

Señores:

En atención al Borrador del Informe de Resultados de la Auditoría, practicada por Lara & González, CPA al Proyecto de Desarrollo Agrícola del Altiplano, USAID/GUATEMALA Proyecto No. 520-0274, del componente ejecutado por la Dirección General de Bosques y Vida Silvestre, por el periodo del 1 de julio de 1990 al 31 de marzo de 1992, con todo respeto me permito presentarle los comentarios y justificaciones a lo que se consideró de mayor relevancia y que, constituyen costos cuestionables y deficiencias en el control interno señaladas en dicho borrador de informe.

## **ESTRUCTURA DE CONTROL INTERNO**

### **1. Registros Inadecuados**

**A. No se preparan Estados de Rendición de Cuentas periódicamente, ni se concilia la disponibilidad con el saldo de efectivo.**

No se prepararon Estados de Rendición de Cuentas periódicamente, en virtud de que éstos deben conciliarse con los registros contables de AID, y el acceso de personal ajeno a dicho organismo, es restringido, así como la obtención de información. Para atender la recomendación contenida en el literal A. del apartado de hallazgos (página 18), AID debe permitir a DIGEBOS que las personas asignadas a esta



## Sector Público Agropecuario y de Alimentación

### DIGEBOS DIRECCION GENERAL DE BOSQUES Y VIDA SILVESTRE.

actividad, mantengan un cruce de información constante con el personal de DIGEBOS, a efecto de comparar los registros y así poder conciliar la disponibilidad con el saldo de efectivo.

#### **B. No se preparan conciliaciones bancarias mensuales**

De acuerdo al Libro Registro No.286, autorizado por la Contraloría General de Cuentas de la Nación con fecha 16 de octubre de 1990, para el registro de Conciliaciones Bancarias, DIGEBOS sí realizó conciliaciones bancarias mensuales del proyecto, dichos libros pueden ser consultados en cualquier momento.

**C. La ejecución del proyecto según registros contables de DIGEBOS, no se concilia periódicamente con la ejecución porporcionada por el Ministerio de Finanzas Públicas (MFP), originando partidas en conciliación no identificadas oportunamente.**

Para conciliar los registros contables del proyecto con la ejecución del MFP, es necesario contar con el Balance Mensual de Saldos de la Dirección de Contabilidad del Estado, el cual no es proporcionado por dicha Dirección a las Unidades Ejecutoras, no obstante que se hacen siempre esfuerzos por conseguirlos. Se recomienda que, a través de AID se hagan las gestiones ante el MFP, a efecto que dicho Ministerio se comprometa a proporcionar el Balance Mensual de saldos a las unidades ejecutoras en forma oportuna, siendo ideal que dicho compromiso se incluya en los convenios respectivos.

#### **RECOMENDACIONES DEL APARTADO DE HALLAZGOS**

**D. Establecer un sistema de costos que permita valuar cada una de las áreas reforestadas.**

DIGEBOS al registrar sus operaciones en base al Sistema Integrado Uniforme de Contabilidad Gubernamental, cumple con el principio del costo que contempla dicho Sistema Contable. Adicionalmente, los registros auxiliares reflejan los gastos incurridos en el proyecto.

**E. Operar registros individuales para cada proyecto**



## Sector Público Agropecuario y de Alimentación

### DIGEBOS DIRECCION GENERAL DE BOSQUES Y VIDA SILVESTRE.

Para llevar cuenta y razón de lo invertido en cada proyecto, se lleva un registro auxiliar en tarjetas autorizadas por la Contraloría General de Cuentas, además, existe el Ingreso a Almacén e Inventario y la Ejecución Presupuestaria, constituyendo dicho registro un fiel reflejo de las operaciones financieras del proyecto, el mismo cumple con la **característica de adecuados**, ya que revelan la inversión ejecutada en el proyecto.

#### 2. Desviaciones en el Control de Consumo de Combustible

DIGEBOS no está de acuerdo que se cuestione el 100% de los costos de combustible por valor de Q.40,397.00, en virtud que existen los vales que respaldan el consumo del mismo, en los cuales se identifican los vehículos, la persona que recibió el combustible y el nombre del Proyecto DIGEBOS-AID, dichos vehículos y personal, se encontraban al servicio del proyecto y, parte de dicho combustible, tal y como se indica en el borrador del informe en el apartado de Hallazgos numeral 2. literal A. de Causas, fue utilizado por el Contraparte USAID/Guatemala Ing. Agr. Rolando Zanotti, con base en programaciones de actividades del proyecto y el Contraparte de DIGEBOS Ing. Ftal. Artemio Ramirez, cuyas firmas pueden ser verificadas (se adjuntan fotocopias de vales que respaldan lo indicado).

Lo anterior permite concluir que, si se puede calificar la no utilización de la solicitud de combustible como **inobservancia del control interno**, pero no como una desviación en el uso del combustible, por lo tanto, ratificamos nuestro desacuerdo al cuestionamiento del costo incurrido por este concepto, ya que los vehículos descritos no podrían funcionar sin combustible y con la conclusión señalada por ustedes, se está aseverando que dicho combustible fue desviado su consumo, situación que no está probada.

La inobservancia en el control interno señalada, si continúa el proyecto, se corregirá de acuerdo a las recomendaciones vertidas en el borrador del informe.

#### 3. Contratos de Trabajo no actualizados

En relación al **Efecto** contemplado en el apartado de Hallazgos numeral 3., DIGEBOS no está de acuerdo en lo



## Sector Público Agropecuario y de Alimentación

### DIGEBOS DIRECCION GENERAL DE BOSQUES Y VIDA SILVESTRE.

absoluto con el mismo, debido a que como soporte del sueldo pagado al personal por planilla del proyecto, se cuenta con los siguientes documentos:

1. Planillas de Jornales firmada por los trabajadores
2. Pago efectuado por medio de Cheque, firmando el voucher cada trabajador como constancia de haber recibido su salario.
3. Orden de Compra y Pago que respalda la ejecución del presupuesto asignado al proyecto.

En base a lo anteriormente expuesto, se solicita se deje sin efecto y se excluya del informe los siguientes puntos:

- No se preparan conciliaciones bancarias.
- No se operan registros individuales para cada proyecto.
- Establecer un sistema de costos que permita valuar cada una de las áreas reforestadas.
- El cuestionamiento del 100% del costo del combustible. Sugerimos que, se incluya como sub-título Deficiencias en el Control Interno de Combustible y que, en este apartado se recomiende que, se utilice la solicitud de combustible para todo consumo del mismo.
- Contratos de trabajo no actualizados.

Atentamente,

Dr. Sc. Otoniel Aquino Moscoso  
DIRECTOR GENERAL



**APPENDIX I**

**REPORT DISTRIBUTION**

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M/FA/FM	1
PPC/POL/CDIE/DI	1
M/FA/MC	1
IG	1
AIG/A	1
AIG/I&S	1
D/AIG/A	1
IG/A/SPEC RPTS	2
IG/LC	1
IG/RM/GS	5
IG/A/PSA	1
IG/A/FA	1
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