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**INTERIM AUDIT OF THE
JAMAICA HURRICANE
RECONSTRUCTION PROJECT NO. 532-0158**

**Audit Report No. 1-532-90-27-N
May 18, 1990**

AGENCY FOR INTERNATIONAL DEVELOPMENT

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OFFICE OF THE REGIONAL INSPECTOR GENERAL
AMERICAN EMBASSY
TEGUCIGALPA HONDURAS

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May 18, 1990

MEMORANDUM

TO: USAID/Jamaica Acting Director, Marilyn Zak

FROM: RIG/A/T, *Coinage N. Gothard*
Coinage N. Gothard, Jr.

SUBJECT: Interim Audit of the Jamaica Hurricane Reconstruction Project No. 532-0158, Audit Report No. 1-532-90-27-N

This report presents the interim results of a non-Federal financial audit of the Hurricane Reconstruction Project for Jamaica. The accounting firm of Touche, Ross, Thorburn & Co. in Jamaica prepared the report, which is dated March 20, 1990, under the supervision of the Regional Inspector General for Audit/Tegucigalpa.

The purpose of the project is to assist with recovery and reconstruction activities needed as a result of Hurricane Gilbert. This purpose is to be achieved through three components. The first component provides commodities and technical assistance for the rehabilitation of infrastructure. The second component provides large grants to three Jamaican organizations to assist with agriculture and business recovery. The final component provides assistance in disaster preparedness and relief for the poor. The project assistance completion date is August 14, 1990, eighteen months from the date of the grant agreement.

The objectives of this interim audit were to determine whether: (1) the fund accountability statement fairly presents project receipts and disbursements for the audit period with disclosure of questionable expenditures, if any, (2) the internal control structures of implementing entities are adequate, and (3) implementing entities have complied with agreement terms and applicable laws and regulations.

Since the audit is still in process Touche Ross is not in a position at this time to give positive assurance on the use of the funds. However, nothing has thus far come to its attention to indicate that the \$30 million obligated and \$11,675,218 disbursed as of February 28, 1990 has been used in any material way other than for purposes intended under the terms of the agreement.

. 1'

The draft report was discussed with USAID/Jamaica officials. USAID/Jamaica did not provide written comments but generally agreed with the findings contained in the report.

The Touche Ross report contains five recommendations regarding deficiencies affecting proper accountability for funds, internal controls, and compliance with agreement terms and applicable laws and regulations. Although some of these deficiencies are relatively minor, we note that they have gone unresolved for several months. Consequently, we are making the following recommendation which will be included in the Office of the Inspector General's audit recommendation follow-up system.

Recommendation No. 1

We recommend that USAID/Jamaica establish procedures for tracking and promptly resolving deficiencies identified during the audit. [The deficiencies identified in this interim report are discussed in Exhibits 2 thru 7.]

Please advise this office within 30 days of action planned or taken to resolve and close this recommendation.

AUDIT OF THE HURRICANE RECONSTRUCTION PROJECT
USAID/JAMAICA PROJECT NO. 532-0158

INTERIM REPORT

Touche, Ross, Thorburn & Co.
Chartered Accountants
7 West Avenue, Kingston Gardens,
P.O. Box 13, Kingston 4,
Jamaica, W.I.
Telephone: 809 922-6825/7
Telecopier: 809 922-7573
Telex: 2161 Touchert Ja.

 Touche Ross

March 20, 1990

Mr. Coinage N. Gothard
Regional Inspector General for Audit
U.S. Agency for International Development
Tegucigalpa
Honduras, C.A.

Dear Mr. Gothard:

This report presents the interim results of our financial and compliance audit of the Hurricane Reconstruction Project, USAID/Jamaica Project No. 532-0158, as at February 28, 1990.

BACKGROUND

The Government of Jamaica (GOJ) and the United States of America (USA) has entered into an agreement dated February 15, 1989 whereby the Government of the USA through its Agency for International Development (USAID) is providing assistance to the GOJ in recovery and reconstruction activities needed as a result of Hurricane Gilbert.

These activities include:

- restoration of infrastructure for electric power, telecommunications, water, schools and courthouses;
- provision of credit and other assistance to agriculture and business recovery efforts; and
- disaster preparedness assistance and relief for the poor.

The project has three major components:

Component I - Rehabilitation of Infrastructure

Technical assistance and commodities are being provided to the Jamaica Public Service Company, Limited (JPS), the Telecommunications of Jamaica Company, Limited (TOJ), and the National Water Commission (NWC) to restore electric power, telephone services and the water and sewage systems respectively.

Commodities and construction services are being provided to a number of primary/all-age/secondary schools and damaged equipment is being replaced at the University of the West Indies to enable a normal level of instruction and research. Additionally, funds are being provided to rehabilitate a number of courthouses damaged by the hurricane.

Component II - Agriculture and Business Recovery

Grants are being provided to the Jamaica Agricultural Development Foundation (JADF) the National Development Foundation (NDF) and the Jamaica Promotions Limited (JAMPRO) to assist in providing credits, technical assistance and commodities to agriculture and business recovery.

Component III - Disaster Preparedness and Relief for the Poor

A grant has been provided to the Jamaica Office of Disaster Preparedness (ODP) to support action-oriented analysis leading to specific strategies to reduce the vulnerability of Jamaica's settlements to future disasters.

A grant has been made to Council of Voluntary Social Services/United Way of Jamaica to continue its programme of relief assistance aimed to assist a number of primary non-wage-earning families.

The total grant being provided by USAID, under the Foreign Assistance Appropriations Act of 1989 and the Foreign Assistance Act of 1961, (as amended), is Thirty Million United States Dollars (US\$30,000,000). The project assistance completion date (PACD) is August 14, 1990 (eighteen months from the date of the agreement, February 15, 1989).

AUDIT OBJECTIVES AND SCOPE

Our examination is being carried out in accordance with generally accepted auditing standards and the US Comptroller General's "Government Auditing Standards" (1988 Revision), and accordingly, include such tests of the accounting records and other auditing procedures as we consider necessary in the circumstances, to determine that funds are properly accounted for and are being used in accordance with applicable laws, regulations and agreements terms.

The scope of our work consists of the following:

- (a) a review of the fund accountability statement reflecting expenditure incurred from the commencement of the project (February 15, 1989) to February 28, 1990;
 - (b) study and evaluation of systems of internal control of the implementing entities as considered necessary;
 - (c) a review of agreements under which funds are being granted to determine whether USAID/Jamaica and the implementing entities are complying with the applicable laws, regulations and agreements which may have an effect on the fund accountability statement;
 - (d) a review of reconciliations of bank accounts for the implementing entities to determine that receipts and disbursements from the funds of the project are properly accounted for;
 - (e) performance of on-site tests, inspections and observations as considered necessary.
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SUMMARY OF AUDIT PROCEDURES

A summary of audit procedures carried out so far, are:

Fund Accountability Statement

1. Obligations

We have agreed the total amount of US\$30,000,000 to the Grant Agreement.

2. Earmarks

We have compared US\$26,128,615 in earmarks to the relevant Project Implementation Orders (PIO's) and Project Implementation Letters (PILs).

3. Commitments

We have compared US\$24,436,199 to the related PIOs, PILs, and to the commitment documents (purchase orders and contracts).

4. Expenditure

Of the US\$11,675 million reported as expenditure we have so far reviewed documentary evidence in support of amounts totalling US\$8,395,575.

We have also carried out physical inspection in respect of commodities totalling US\$1,100,487 out of which US\$978,245 is reflected in the fund accountability statement.

5. Bank Accounts

We have traced grant funds to special bank accounts as appropriate, and have reviewed bank account reconciliations as considered necessary.

Internal Control

We have reviewed the internal control structure of the implementing entities, as considered necessary, in order to determine our auditing procedures for carrying out the audit of the fund accountability statement. In carrying out our review we relied on the report of Price Waterhouse in ascertaining and verifying the system and significant procedures in the following implementing entities:

- JAMPRO
- NDF Credit
- National Water Commission
- Jamaica Agricultural Development Foundation

SUMMARY OF AUDIT PROCEDURES (Cont'd)

Internal Control (Cont'd)

We have so far considered the significant controls in the following areas:

1. Jamaica Public Service
 - ... equipment/materials
2. National Water Commission
 - ... equipment and equipment supplies
3. Jamaica Agricultural Development Foundation
 - ... receipt of grant
 - ... approval of loans
 - ... security of loans
 - ... disbursement of loans
 - ... repayment of loans
 - ... accounting and reporting
4. NDF Credit
 - ... receipt of grant
 - ... approval of loans
 - ... transfer of funds to branch bank accounts
 - ... disbursement of loans
 - ... accounting and reporting
5. JAMPRO
 - ... receipt of grant
 - ... approval of sub-grants
 - ... disbursement of sub-grants
 - ... accounting and reporting
6. CVSS/United Way of Jamaica
 - ... receipt of grant
 - ... PVO agreements
 - ... disbursement of advances and reimbursement of expenditure
 - ... accounting and reporting

Compliance with Applicable Laws, Regulations and Agreement Terms

In carrying out the audit of the Fund Accountability Statement, transactions and records have been reviewed to determine compliance with agreement terms and applicable laws and regulations as considered necessary.

RESULTS OF AUDIT

Since the audit is still underway, we are not in a position at this time to give a positive assurance on the uses of the funds by USAID/Jamaica. However, except as discussed below, nothing has so far come to our attention to indicate that the expenditure of US\$11,675,218 incurred to date, as reflected in the fund accountability statement has been used in any material way other than for the purposes intended under the terms of the contract.

Component I - Rehabilitation of Infrastructure

1. Water

Vehicles

We refer to our report for the month of January 1990, Section 5.2. We are experiencing some difficulty in physically inspecting ten (10) of the vehicles received by the National Water Commission.

2. Education

UWI Commodities

The University of the West Indies has informed USAID/Jamaica of certain discrepancies between the items requested and those received (Exhibit 6), USAID/Jamaica has responded. However, some of the discrepancies still exist. (Refer to our report for December 1989, section 6.2 (ii)).

We reviewed the Federal Cash Advance Status Report for the period August 15, 1989 to January 31, 1990. The report disclosed disbursements of J\$168,746 (US\$24,456) during the period and cash available of J\$49,653 (US\$7,196) at the end of the period.

The above disbursements are not yet reflected in the Fund Accountability Statement. We are unable to satisfy ourselves regarding the accuracy of the cash available balance as a bank reconciliation has not yet been done for the period covered by the Federal Cash Advance Status Report.

Component II - Agriculture and Business Recovery

1. Agricultural Credit

Jamaica Agricultural Development Foundation (JADF)

- The Agricultural Credit expenditure of US\$2,041,541 in the fund accountability statement includes US\$1,958,321 relating to the Jamaica Agricultural Development Foundation. We have not obtained listing(s) of disbursements for the amount of US\$1,958,321. Please refer to Audit Findings Letter No. 1 at Exhibit 2.

Component II - Agriculture and Business Recovery (Cont'd)

1. Agricultural Credit (Cont'd)

Jamaica Agricultural Development Foundation (JADF) (Cont'd)

We also note that the last Federal Cash Advance Status Report submitted by JADF, is the one for the period ended August 31, 1989. The agreement between USAID/Jamaica and JADF stipulates that disbursements should be reported monthly.

- There is an unidentified difference of J\$59,968 (US\$9,283) between the cash available per the latest Federal Cash Advance Status Report and the cash balance per JADF's records. Please refer to Audit Findings Letter No. 2 at Exhibit 3.
- We are unable to satisfy ourselves regarding the status of expenditure made from the initial advance of J\$1,498,585 (US\$270,503) which was received for the banana sub-sector from USAID/Jamaica in September, 1989, as:
 - (a) A Federal Cash Advance Status Report has not been submitted to USAID/Jamaica since the receipt of the advance.
 - (b) The special bank account into which the funds are lodged, has not been reconciled. Since the date of this report, we understand that a reconciliation has been done, but we have not yet carried out our review.

In view of the above, we have not been able to proceed with the audit of these funds.

All Island Banana Growers Association (AIBGA)

The expenditure of US\$2,041,541 in the fund accountability statement includes US\$11,648 relating to the All Island Banana Growers Association. However, this amount does not agree with AIBGA's cash book. Please refer to our letter dated February 19, 1990 at Exhibit 7.

2. NDF Credit

National Development Foundation (NDF)

We attempted to reconcile the balance per the special bank account statements with the Federal Cash Advance Status Report as at December 31, 1989 and noted a difference of J\$233,193 (US\$40,839). This has been brought to the notice of the Financial Controller, NDF, who is in the process of investigating this difference.

3. JAMPRO

Micro and Small Enterprises

Our report for the month of December, 1989 and January 1990 mentioned a difference of J\$11,418 (US\$2,091) between the records (General Ledger) of JAMPRO and the Federal Cash Advance Status Report as at October 31, 1989. Please refer to Audit Findings Letter No. 3 at Exhibit 4.

Export Business Recovery Programme

Our report for the month of January, 1990 mentioned a difference of US\$16,891 between the records (General Ledger) of JAMPRO and the Federal Cash Advance Status Report as at September 30, 1989. Please refer to Audit Findings Letter No. 4 at Exhibit 5.

We note that the last Federal Cash Advance Status Report submitted by JAMPRO covers the period August 1, 1989 to September 30, 1989. No reports have been submitted since then. We are following up this matter.

The fund accountability statement shows expenditure of US\$127,645 as at February 28, 1990. We have not been able to agree this amount to supporting documentation as these have not been received from the implementing entity.

Touche Ross, Harbison & Co.

E X H I B I T S

USAID/JAMAICA PROJECT NO. 532-0158

HURRICANE RECONSTRUCTION PROJECT

FUND ACCOUNTABILITY STATEMENT - FEBRUARY 28, 1990
(All amounts in US\$' 000's)

<u>ELEMENT</u>	(1) <u>OBLIGATIONS</u> \$	(2) <u>EARMARKS</u> \$	(3) <u>COMMITMENTS</u> \$	(4) <u>EXPENDITURE</u> \$
POWER				
- Data Base	825.0	110.4	110.4	10.1
- Equipment and Related T. A.	2,405.3	2,155.3	1,986.5	633.8
- JPS Disaster Preparedness Plan	380.0	-	-	-
- Line Upgrading and Rehabilitation	6,189.7	6,021.6	5,050.3	4,461.6
	<u>9,800.0</u>	<u>8,287.3</u>	<u>7,147.2</u>	<u>5,105.5</u>
TELECOMMUNICATIONS				
- Commodities	500.0	500.0	500.0	9.8
WATER				
- Mech./Elec. Equip. & Equip. Sup.	591.0	575.0	575.0	104.8
- System Repairs & Reconstruction	2,900.0	1,809.8	1,741.7	330.7
- O&M/Admin. Facilities Rehab.	450.0	100.0	100.0	77.9
- Temporary Personnel	500.0	500.0	500.0	-
- Vehicles	509.0	500.0	500.0	494.1
	<u>4,950.0</u>	<u>3,484.8</u>	<u>3,416.7</u>	<u>1,007.5</u>
EDUCATION				
- Refurbishing Buildings	3,500.0	3,395.8	3,029.2	139.9
- Instructional Materials	-	-	-	-
- UWI Commodities	500.0	500.0	500.0	364.5
	<u>4,000.0</u>	<u>3,895.8</u>	<u>3,529.2</u>	<u>504.4</u>
ADMINISTRATION OF JUSTICE	700.0	94.7	94.7	7.7
AGRICULTURAL CREDIT	4,350.0	4,342.5	4,342.5	2,041.5
NDF CREDIT	2,000.0	2,000.0	2,000.0	1,154.5
JAMPRO				
- Micro & Small Enterprises	300.0	300.0	300.0	104.7
- Export Recovery	200.0	200.0	200.0	127.6
	<u>500.0</u>	<u>500.0</u>	<u>500.0</u>	<u>232.3</u>
DISASTER PREPAREDNESS				
- Shelter	50.0	15.0	13.9	1.0
- Institutional Support	293.0	293.0	293.0	236.3
	<u>343.0</u>	<u>308.0</u>	<u>306.9</u>	<u>237.3</u>
CVSS/UWJ	2,000.0	1,997.7	1,997.7	1,183.3
MONITORING/TRACKING/AUDIT	500.0	499.9	499.9	146.2
CONTINGENCY/INFLATION	257.0	117.9	29.4	21.9
PROCUREMENT SERVICES	100.0	100.0	72.0	23.3
	<u>30,000.0</u>	<u>26,128.6</u>	<u>24,436.2</u>	<u>11,675.2</u>

- (1) Obligation: is the amount made available by USAID/Jamaica to pay for goods and services for projects and is established by a signed project agreement or amendments to the agreement.
- (2) Earmarks: represents an implementation action of a project which involves funding. Earmarks are generally approved bilaterally by signatures on project implementation orders or project implementation letters, including prevalidation of fund availability by the USAID.
- (3) Commitment: is the recognition of the execution of a contractual document such as purchase order or contract for services.
- (4) Expenditure: is the amount expended for goods and services.

January 30, 1990

USAID/JAMAICA PROJECT NO. 532-0158

HURRICANE RECONSTRUCTION PROJECT

AUDIT FINDINGS LETTER NO. 1

JAMAICA AGRICULTURAL DEVELOPMENT FOUNDATION (JADF)

CONDITION

Disbursements of US\$1,958,321 (J\$10,702,000) reported as expended by JADF, in the Fund Accountability Statement of December 31, 1989, are not supported by a listing(s) showing amount of loan disbursed to farmers.

CRITERIA

USAID/JADF Grant No. 532-0158-G-SS-9094 provides, under Mandatory Standard Provisions Clause 2, that,

"The grantee shall maintain books, records, documents, and other evidence...to sufficiently substantiate charges to the grant."

CAUSE

Adequate documentation in support of disbursements made is not being submitted to USAID/Jamaica by JADF.

EFFECT

In the absence of a supporting listing(s), it is not practicable to substantiate the amount shown in the Fund Accountability Statement.

RECOMMENDATION

JADF should provide listing(s) showing details of disbursements in support of the amount shown in the Fund Accountability Statement.

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February 9, 1990

USAID/JAMAICA PROJECT NO. 532-0158

HURRICANE RECONSTRUCTION PROJECT

AUDIT FINDINGS LETTER NO. 2

JAMAICA AGRICULTURAL DEVELOPMENT FOUNDATION (JADF)

CONDITION

There is an unidentified difference of J\$59,968 between the cash available per the Federal Cash Advance Status Report and the cash balance per JADF's records, as follows:

	J\$
Cash advance available at August 31, 1989 (per Federal Cash Advance Status Report dated December 11, 1989)	4,614,000
Cash balance at August 31, 1989 (per bank reconciliation of the special bank account)	<u>4,673,968</u>
Unidentified difference	59,968 =====

CRITERIA

USAID/JADF Grant No. 532-0158-G-SS-9094 provides, under Mandatory Standard Provisions Clause 2, that,

"The grantee shall maintain books, records, documents, and other evidence.....to sufficiently substantiate charges to the grant."

CAUSE

No check is done at JADF to ensure that what is stated in the Federal Cash Advance Status Report is in agreement with the underlying records maintained at JADF.

- 15 -

February 9, 1990

2.

EFFECT

There is not sufficient assurance that the accounting information submitted by JADF is accurate.

RECOMMENDATION

JADF should resolve the unidentified difference of J\$59,968, and make the appropriate adjustments.

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USAID/JAMAICA PROJECT NO. 532-0158
 HURRICANE RECONSTRUCTION PROJECT
 AUDIT FINDINGS LETTER NO. 3

JAMPRO LIMITED - MICRO & SMALL ENTERPRISES

CONDITION

There is an unidentified difference of J\$11,418 between the cash available per the Federal Cash Advance Status Report and the cash balance per JAMPRO's records, as follows:

	J\$
Cash advance available at October 31, 1989 (per Federal Cash Advance Status Report dated November 21, 1989)	321,848
Cash balance at October 31, 1989 (per bank reconciliation of the special bank account)	<u>310,430</u>
Unidentified difference	11,418 =====

CRITERIA

Project Implementation Letter No. 4 of the above project, provides under Mandatory Standard Provisions Clause 2, that,

"The grantee shall maintain books, records, documents, and other evidence.....to sufficiently substantiate charges to the grant."

CAUSE

JAMPRO has explained, by letter dated March 8, 1990, that the reason for the difference is due to the accounting system presently being used.

EFFECT

The documentation maintained by JAMPRO does not adequately substantiate the cash balance of J\$321,848 reported in the Federal Cash Advance Status Report.

RECOMMENDATION

JAMPRO should resolve the unidentified difference of J\$11,418, and make the appropriate adjustments.

March 13, 1990.

USAID/JAMAICA PROJECT NO. 532-0158
HURRICANE RECONSTRUCTION PROJECT
AUDIT FINDINGS LETTER NO. 4

JAMPRO LIMITED - EXPORT RECOVERY PROGRAMME

CONDITION

There is an unidentified difference of US\$16,891 between the cash available per the Federal Cash Advance Status Report and the cash balance per JAMPRO's records, as follows:

	US\$
Cash advance available at September 30, 1989 (per Federal Cash Advance Status Report dated October 23, 1989)	38,400
Cash balance at September 30, 1989 (per bank reconciliation of the special bank account)	<u>21,509</u>
Unidentified difference	<u>16,891</u> =====

CRITERIA

Project Implementation Letter No. 4 of the above project, provides under Mandatory Standard Provisions Clause 2, that,

"The grantee shall maintain books, records, documents, and other evidence.....to sufficiently substantiate charges to the grant."

CAUSE

JAMPRO has explained, by letter dated March 8, 1990, that the reason for the difference is due to the accounting system presently being used.

EFFECT

The documentation maintained by JAMPRO does not adequately substantiate the cash balance of US\$38,400 reported in the Federal Cash Advance Status Report.

RECOMMENDATION

JAMPRO should resolve the unidentified difference of US\$16,891, and make the appropriate adjustments.

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THE UNIVERSITY OF THE WEST INDIES
MONA CAMPUS

EXHIBIT 6

013612

LE AND TELEGRAPH
"UNIVERS"
PHONE 927-1661-9
TELEX 2123
PLEASE QUOTE 99/4
OUR REFERENCE _____



FILE

MONA, KINGSTON
JAMAICA

December 4, 1989

Mrs. N. Mignott,
Agency for International Development
6B Oxford Road
Kingston 5

DATE RECEIVED:	ACTION OFFICE:	INFO TO:	DIR ✓	ARDO	CHNP	OEHR	OPPD	OCM	RHUDO	R.F.V	DUE BY:	ACTION:
	GEA		DID:RY				OEPE	OEFE	EXO	CONT	12/28	File + memo sent to: A-APC 12/15/89

Dear Mrs. Mignott,

RE: AAPC CONTRACT NO 8085

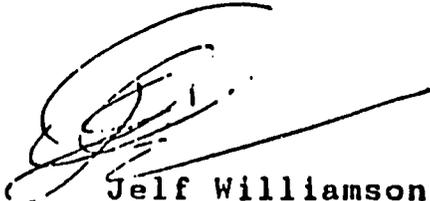
We acknowledge receipt of the items as outlined in Report No A90006 dated except for the following discrepancies:

- (1) Item 52: One of the computer Unit, Powerflex Serial No 78543 seems to have a defective Hard Disk. This drive was not initialized at the factory as claimed and when two attempts were made to low-level format the disk, in accordance with the instructions in the manual, the formatting stopped on both occasions on cylinder 784. A new hard disk may solve the problem.
- (2) Items 53, 62, 63 and 79: No cables were received with printers and other equipment.
- (3) Item 62: No manual was received for Datacopy 830 scanner.
- (4) Item 72: ALR Dart Classic Computer Serial No 75382 seems to be defective. Sometimes it has to be switched on and off several times before it boots. It either stops functioning at Drive A: or nothing is displayed on the screen. This unit should be changed.
- (5) Item 77: The ALR Dart processor was supplied with a VGA colour board and not a monochrome board. A VGA Colour Monitor is being requested to replace the Goldstar Monochrome Monitor, to make the system work.

.7) Item 90: We received "Framework V.3.0, instead of
"Framework V.4.0.

Finally, we note that in most cases, ALR substituted their latest State-of-the-Art "ALR Powerflex" model for the older model Dart Classic computers.

Yours sincerely



Jelf Williamson
for Bursar

cc Touche Ross - Mr. Nandlal
Planning Unit - Miss L. Murray

February 19, 1990

Mr. Robert Leonard
Controller
United States Agency for International
Development Mission to Jamaica
6B Oxford Road
KINGSTON 5

Dear Sir:

USAID/Jamaica Project No. 532-0158
Hurricane Reconstruction Project
Expenditure - All Island Banana Growers Assoc. (AIBGA)

The Fund Accountability Statement includes expenditure of US\$11,648 made by AIBGA, This expenditure is equivalent to the amount of J\$68,838 shown as disbursements on AIBGA's Federal Cash Advance Status Report for October and November 1989. However, this amount (J\$68,838) does not agree with AIBGA's Cash Book as follows:

	<u>J\$</u>
Disbursements per AIBGA's Cash Book for October & November 1989	24,595
Disbursements per Federal Cash Advance Status Report	<u>68,838</u>
Difference	<u>44,243</u>

There is also a corresponding difference in the cash balances as follows:

	<u>J\$</u>
Cash balance per AIBGA's Cash Book as at November 30, 1989	94,680
Cash balance per Federal Cash Advance Status Report	<u>50,437</u>
Difference	<u>44,243</u>

.... /2

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February 19, 1990

We understand that AIBGA has reported budgeted disbursements as actual disbursements in the Federal Cash Advance Status Report.

We recommend that AIBGA's Federal Cash Advance Status Report be revised.

Yours faithfully,

A handwritten signature in dark ink, appearing to be "LMD", written in a cursive style.

c.c.: Mr. Don Hickson,
Controller's Office, USAID/Jamaica

Mr. Dick Owen
Project Officer

Mr. Tom Golla,
RIG Office, Honduras

WAM:rl

APPENDIX 1

REPORT DISTRIBUTION

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