

Regional Inspector General for Audit
San José, Costa Rica

**Audit of USAID/Bolivia's
Cochabamba Regional Development Project
Component Managed by the
Bolivian Institute for Agricultural Technology
January 1 to December 31, 1992**

Audit Report No. 1-511-94-11-N
June 16, 1994



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.



AGENCY FOR INTERNATIONAL DEVELOPMENT
OFFICE OF THE REGIONAL INSPECTOR GENERAL
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June 16, 1994

MEMORANDUM

TO: Director USAID/Bolivia, Carl H. Leonard

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

SUBJECT: Audit of USAID/Bolivia's Cochabamba Regional Development Project, Component Managed by the Bolivian Institute for Agricultural Technology, January 1 to December 31, 1992

This report presents the results of a financial audit of the Cochabamba Regional Development Project, USAID/Bolivia Project No. 511-0617, component managed by the Bolivian Institute for Agricultural Technology (the Institute) for the period January 1 to December 31, 1992. The audit firm of Coopers & Lybrand prepared the report dated February 11, 1994.

The Cochabamba Regional Development Project is the follow-on project to the Chapare Regional Development Project, USAID/Bolivia Project No. 511-0543, which ended on June 30, 1992. Under the new project, many of the activities started under the predecessor project have been continued, being expanded to a wider geographical area.

The goal of the project is to increase the level of investments, productivity and employment in legal activities as Bolivia transforms its economy based on coca. Its purpose is to develop alternative sources of income and employment for the population in the project area, which is the department of Cochabamba. The project will concentrate on the development and improvement of local markets and the export of raw and processed agricultural products, increasing in this way employment and income. The project assistance completion date is September 30, 1997. During the period audited, the Institute reported project expenditures of \$1,646,120.

The Institute is one of four Government of Bolivia implementing entities for the project. It is responsible for providing agricultural research and extension services in the project area, particularly to former coca growers. The Institute maintains two agricultural experimental farms—one in La Jota (agriculture) and the other in Chipiriri (farm animals).

The objectives of the audit were to determine whether: (1) the Institute's fund accountability statement presents fairly, in all material respects, the financial situation of the project activities managed by the Institute during the audited period, (2) the internal control structure of the Institute is adequate to manage its project operations, (3) the Institute complied with the terms of the agreement and applicable laws and regulations, and (4) the Institute has taken corrective actions to resolve recommendations contained in a previous audit of the Institute. The scope of the audit included an examination of Institute's activities and transactions to the extent considered necessary to issue a report thereon for the period audited.

Coopers & Lybrand were of the opinion that the fund accountability statement presents fairly, in all material respects, the cash receipts and disbursements of the activities managed by the Institute under the project. No questionable costs were noted.

Regarding the Institute's internal control structure, the auditors identified five material weaknesses:

- (1) During his vacation periods the Institute's accountant performed tasks of salary payment and filled the function of the cashier, resulting in an inadequate segregation of duties over the control of cash,
- (2) The auditors found undated quotation requests, purchase orders and comparison tables, which would allow purchases to be made and justified after-the-fact with undated quotations,
- (3) Certain salary payments were made through a joint checking account in the name of the Institute's accountant and cashier rather than in the name of the Institute,
- (4) At the Chipiriri experimental station, the auditors found a number of control weaknesses involving: (a) the handling of cash, (b) sales of products not documented with receipts or sales notes, (c) lack of segregation of duties between the sale of products and the control of stocks, (d) deficient handling of the kardex in the warehouse regarding fuel and spare parts, and (e) lack of follow-up and control of the credit portfolio from the sales of genetic materials.

- (5) At the La Jota experimental station, the auditors found control weaknesses regarding: (a) inadequate inventory control as evidenced by delays in recording turnover in the kardex and non recording of spare parts for vehicles and (b) no adequate follow-up and control being performed on the credit portfolio of genetic material sales.

With respect to the Institute's compliance with agreement terms and applicable laws and regulations, the auditors identified five material instances of noncompliance:

- (1) No evidence that the Institute prepares prequalification listings for contract awards of less than \$25,000,
- (2) An instance where the Institute purchased goods without a corresponding budget item or previous authorization of the financing agency,
- (3) The engagement of personnel for temporary services without the authorization of USAID/Bolivia and also without evidence that the services had been provided,
- (4) Lack of performance evaluations for personnel who were awarded salary increases, and
- (5) The non inclusion of certain interest earned (on non-USAID funds) in a financial report submitted by the Institute.

In their follow-up on the status of implementation of audit recommendations made to the Institute during the last financial audit of the Chapare Regional Development Project, the auditors found that certain audit recommendations that were not reported on again during the current audit remained unimplemented. The unimplemented recommendations falling into this category related to:

- (1) A lack of periodic reconciliations between the Institute's accounting records and those of the entity it receives its funds from,
- (2) Not implementing the Institute's new procedures manual,
- (3) Failure to observe certain tax laws, and
- (4) Noncompliance with certain labor regulations.

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/Bolivia obtain evidence that the Bolivian Institute for Agricultural Technology: (a) maintains an adequate segregation of functions over the handling of cash, documentation of sales transactions, control of inventories, and recording of accounting transactions, (b) does not maintain checking accounts that are not in the entity's name, (c) periodically reconciles its accounting records with those of its funding sponsors, (d) has implemented its procedures manual, (e) has procurement procedures which fully comply with Bolivian law concerning documentation of the competitive process including maintaining evidence of the dates of transaction documents and use of prequalification listings, (f) maintains adequate inventory controls including the maintenance of up-to-date kardex systems for its warehouses, (g) has an adequate system to follow-up and collect the accounts receivable from the sales of its genetic materials, (h) engages personnel for the project only as authorized by USAID/Bolivia, (i) has implemented a performance evaluation system and salary curve, with remunerations being based on differences in length of service and each employee's evaluation, (j) complies with Bolivia's value-added tax laws and has resolved the contingent tax liability remaining from the Chapare Regional Development Project as a result of not having made and not having withheld from its employees' salaries the required contributions to Bolivia's National Housing Fund, and (k) strictly complies with Bolivia's labor regulations regarding the renewal of personal services contracts and the signing of such contracts by the Ministry of Labor, and giving the required days notice or salary payment when terminating project employees.

Recommendation No. 1 can be resolved when USAID/Bolivia presents an acceptable firm plan of action to correct the reported deficiencies and can be closed when it presents acceptable evidence that the required actions have been taken.

The report was discussed with representatives from the Institute who generally agreed with the report, although they disagreed with certain findings and felt the Institute had adequate alternative procedures in some cases.

This final 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/Bolivia's
Cochabamba Regional Development Project
Component Managed by the
Bolivian Institute for Agricultural Technology
January 1 to December 31, 1992**

**Audit Report No. 1-511-94-11-N
June 16, 1994**

AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT No. 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY
FROM JANUARY 1 TO DECEMBER 31, 1992

**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT No. 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY
FROM JANUARY 1 TO DECEMBER 31, 1992**

<u>TABLE OF CONTENTS</u>	<u>Page</u>
TRANSMITTAL LETTER AND SUMMARY	
Background	1 - 5
Audit objectives and scope	5 - 6
Results of audit	6 - 7
Management comments	8
FUND ACCOUNTABILITY STATEMENT	
Independent auditor's report	9 - 10
Fund accountability statement	11
Notes to the fund accountability statement	12 - 14
INTERNAL CONTROL STRUCTURE	
Independent auditor's report	15 - 17
Findings	18 - 28
COMPLIANCE WITH AGREEMENT TERMS AND APPLICABLE LAWS AND REGULATIONS	
Independent auditor's report	29 - 30
Findings	31 - 36
LIST OF REPORT RECOMMENDATIONS	37 - 39
ANNEX 1 - FOLLOW UP OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS	40 - 45
ANNEX 2 - MANAGEMENT COMMENTS	46 - 55

February 11, 1994

Mr. Coinage N. Gothard
Regional Inspector General for Audit
U.S. Agency for International Development
San José, Costa Rica

Dear Mr. Gothard:

This report presents the results of our financial audit of the Cochabamba Regional Development Project (CORDEP), USAID/Bolivia Project No. 511-0617, component managed by the Bolivian Institute for Agricultural Technology (IBTA), for the period from January 1 to December 31, 1992.

BACKGROUND

On July 5, 1991, USAID/Bolivia approved the Cochabamba Regional Development Project (CORDEP), USAID/Bolivia Project No. 511-0617, which provides \$80,000,000 in grant funds to the Republic of Bolivia. As part of the grant agreement, the Government of Bolivia (GOB) agreed to provide a counterpart contribution of \$40,000,000 channeled through the PL-480 Executive Secretariat and the Directorate of External Finance and Monetization. The project assistance completion date is September 30, 1997.

The CORDEP project is the follow-on project to the Chapare Regional Development Project, USAID/Bolivia Project No. 511-0543, which ended on June 30, 1992. Under the CORDEP project, many of the activities started under the Chapare Regional Development Project have been continued, being expanded to a wider geographical area. Although the CORDEP project was approved on July 5, 1991, IBTA did not begin to receive funds under the project until 1992. The present audit is the first for IBTA under the CORDEP project.

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PROJECT PURPOSE AND OBJECTIVE

The goal of the project is to increase the level of investments, productivity, and employment in licit activities as Bolivia transforms its economy based on coca. The purpose of the project is to develop alternative sources of income and employment for the population in the project area. This will be met by focusing on coca growers as well as people involved in activities not related with coca in order to develop a social and organizational atmosphere at the local level to sustain the changes desired.

The geographical area in which the project focuses is the department of Cochabamba, and eventually other areas near this territory could be included (Santa Cruz, Potosí and Chuquisaca). Although the majority of the activities will be concentrated on the rural areas of the department, the urban and suburban areas of the city of Cochabamba are also included in the geographical area of the project.

The project is an effort of five years to develop alternatives for income and employment in the department of Cochabamba and its areas of influence. The project will concentrate on the improvement and the development of new local markets and the export of raw and finished agricultural products, increasing in this way employment and income. Although the purpose of the project is to increase rural family income, the project is based on a market-oriented design that will lead to an increase in licit economic activities.

PROJECT COMPONENTS

The project has four interrelated components: Commercialization, Capital Resources, Small Agricultural Production, and Project Administration.

1) Commercialization

Keeping within the market driven strategy of the project, the principal objective of this component is to facilitate the processing and commercialization of agricultural products of rural families located within the area of the project. The components of capital resources and small agricultural production will take advantage of the commercial opportunities identified.

2) Capital Resources

Capital resource needs will be identified and provided to producers to take maximum advantage of market opportunities.

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3) Small Agricultural Production

This component is designed to increase the agricultural production of the rural family to meet market demand and increase family income. Research and extension activities related to the market are being made by IBTA/Chapare, IBTA/Valleys, and some NGOs. The experimental products are being selected based on preliminary research of the market and the estimation of potential profit for rural families.

4) Project Administration

USAID/Bolivia provides the global administration related to USAID requirements of the CORDEP project through personnel contracted by USAID/Bolivia in La Paz and the office of the project in Cochabamba. The Cochabamba office is structured to handle the daily responsibilities of project implementation and coordination, and mainly requires La Paz office assistance only for major decisions or actions.

IMPLEMENTING UNITS OF THE PROJECT

1. Subsecretary of Alternative Development (SUBDESAL)

This organization is a subsecretary of the Ministry of Agriculture and Campesino Affairs located in La Paz. SUBDESAL provides overall direction and policy guidance for the project and it works closely with the Program of Alternative Regional Development (PDAR).

Due to the key role of SUBDESAL, this subsecretary in conjunction with USAID/Bolivia, approves the implementation plan throughout the life of the project and will be responsible for the GOB's role in the implementation of the plan. Personnel of SUBDESAL that work with the CORDEP project are financed through counterpart funds of the GOB. Since SUBDESAL works with other grantees in a series of activities in alternative development, arrangements are being made to finance other personnel with local currency that is not part of the CORDEP project.

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2. Program of Alternative Regional Development (PDAR)

At the Cochabamba level, PDAR is responsible for both technical and financial control of the entire project.

PDAR coordinates and supervises the activities of the GOB in the area of the project, collaborating with the technical assistance contractor, and gives pertinent information to the contractor and USAID/Bolivia. PDAR also serves as liaison between the beneficiaries of the project or potential beneficiaries that request the assistance of the GOB for alternative development activities.

PDAR personnel that work with the project are financed through counterpart funds of the GOB. Since PDAR works with other grantees in a series of activities, arrangements are being made to finance other personnel with local currency not part of the CORDEP project.

3. Bolivian Institute for Agricultural Technology (IBTA)

IBTA/Chapare is responsible for providing agricultural research and extension services in the Chapare region, particularly to former coca growers. IBTA/Chapare maintains two agricultural experimental farms - one in La Jota (agriculture) and the other in Chipiriri (farm animals).

Based on the success of IBTA/Chapare, IBTA in the valleys should be strengthened. The project provides resources for research in alternative crops, as well as training and extension programs to support agricultural subprojects and NGOs in the area. Financing of the two IBTAs is being channelled through PDAR.

4. National Roads Service (SNC)

SNC was legally created in 1964 and functions as a decentralized institution of the Ministry of Transportation and Communications with relative technical and administrative autonomy. Its basic function is to control and supervise Bolivia's national roads system through studies, construction, improvements and maintenance.

Within the SNC organizational structure at a national level, there is the "Camino Vecinales" (CCVV) division which is currently working under the CORDEP project in the city of Cochabamba.

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The roads program of SNC for the productive market zones of the project is being financed through the commercialization component of CORDEP. SNC participates in annual planning meetings to develop project priorities for the next two years. The activities of SNC will be implemented with the assistance of USAID/Bolivia and be financed through PDAR.

AUDIT OBJECTIVES AND SCOPE

Coopers & Lybrand (Bolivia) was contracted, under Delivery Order No. 1 IQC 511-0598-C-00-1012-00, to conduct a financial audit of the Cochabamba Regional Development Project (CORDEP), USAID/Bolivia Project No. 511-0617, component managed by the Bolivian Institute for Agricultural Technology (IBTA), for the period January 1 to December 31, 1992.

The specific objectives of our audit were to determine whether:

1. The fund accountability statement presents fairly, in all material respects, the financial situation of the project activities managed by IBTA for the period from January 1 to December 31, 1992, and costs reported as incurred and reimbursed by USAID/Bolivia during the period are allowable, allocable, and reasonable in accordance with agreement terms, and applicable laws and regulations.
2. The internal control structure of IBTA is adequate to manage the project's operations.
3. IBTA complied with agreement terms, and applicable laws and regulations which may affect the project's goals and incurred costs.
4. IBTA has taken corrective actions to resolve recommendations contained in previous audits of the project.

The scope of our work consisted of:

1. Examining the fund accountability statement for the project component managed by IBTA for the period January 1 to December 31, 1992.
2. Reviewing and evaluating IBTA's internal control structure during the audit period to determine its adequacy for project purposes.
3. Determining whether IBTA complied with the agreement terms, and applicable laws and regulations that may have a material effect on its fund accountability statement.

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Except as discussed in the next paragraph, we conducted our audit in accordance with generally accepted auditing standards and the financial audit requirements of the Government Auditing Standards (1988 Revision) issued by the Comptroller General of the United States and accordingly it included such tests of the accounting records and documentation, evaluation of the internal control structure and other auditing procedures as we considered necessary in the circumstances.

We did not have an external quality control review by an unaffiliated audit organization as required by paragraph 46 of chapter 3 of the Government Auditing Standards since no such quality review program is offered by professional organizations in Bolivia. We believe that the effect of this departure from the financial audit requirements of Government Auditing Standards is not material because we participate in the Coopers & Lybrand worldwide internal quality control program which requires the Coopers & Lybrand (Bolivia) office to be subjected, every three years, to an extensive quality control review by partners and managers from other Coopers & Lybrand offices.

During the audit we were alert to situations or transactions that could be indicative of fraud, abuse and illegal expenditures and acts.

RESULTS OF AUDIT

Fund Accountability Statement

The Bolivian Institute for Agricultural Technology (IBTA) records its operations on the basis of cash receipts and disbursements; consequently, revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when the obligation is incurred. This is a comprehensive basis of accounting for transactions other than generally accepted accounting principles.

In our opinion, the fund accountability statement examined by us presents fairly, in all material respects, the cash receipts and disbursements of the activities managed by the Bolivian Institute for Agricultural Technology under the Cochabamba Regional Development Project, USAID/Bolivia Project No. 511-0617, for the year ended December 31, 1992, in accordance with the accounting basis described in the previous paragraph.

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Internal Control Structure

The results of our study and evaluation of IBTA's internal control structure disclosed the following reportable conditions that we consider to be material weaknesses except for Nos. 6 to 8:

1. There is improper separation of duties in the management area.
2. Deficiencies in procedures for suppliers selection and award.
3. Checking account opened under of project officials' names used to pay salaries to personnel.
4. Control deficiencies in Chipiriri Experimental Station.
5. Deficiencies in La Jota Experimental Station.
6. Lack of preprinted numbering of expense documentation.
7. Deficiencies in vehicle documentation and insurance coverage.
8. Lack of quarterly technical reports from experimental stations.

Compliance with Agreement Terms and Applicable Laws and Regulations

The results of our evaluation disclosed that for certain items tested the Bolivian Institute for Agricultural Technology did not comply with agreement terms, and applicable laws and regulations. The cases of noncompliance, which are explained in more detail in the corresponding section of this report, were the following:

1. Deficiencies in the prequalification process of contractors for subproject implementation.
2. Fund disbursements for nonbudgeted items without authorization from the financing agency.
3. Engagement of personnel without evidence of authorization by USAID/Bolivia.
4. Salary increases not supported by performance evaluations.
5. Weaknesses in the preparation of financial report.

Follow up of Prior Audit Findings and Recommendations

Under the CORDEP project PDAR continues to implement many of the activities of the now completed Chapare Regional Development Project, USAID/Bolivia Project No. 511-0543, which ended June 30, 1992. Annex 1 includes the status of unresolved recommendations from prior financial audits of the Chapare Regional Development Project, the last audit being as of December 31, 1991.

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Management Comments

The reports on the internal control structure and compliance with agreement terms and applicable laws and regulations were discussed with IBTA's management on June 2, 1993. IBTA generally agreed with the audit findings and the contents of this report. Specific comments are reproduced in Annex 2 of this report.

Coopers & Lybrand

La Paz, Bolivia

**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT Nº 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY**

**REPORT ON THE FUND ACCOUNTABILITY STATEMENT
FROM JANUARY 1 TO DECEMBER 31, 1992**

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying fund accountability statement of the Cochabamba Regional Development Project, USAID/Bolivia Project No. 511-0617, component managed by the Bolivian Institute for Agricultural Technology (IBTA) for the year ended December 31, 1992. The fund accountability statement is the responsibility of IBTA's management. Our responsibility is to express an opinion on the 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 financial audit requirements of 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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We did not have an external quality control review by an unaffiliated audit organization as required by paragraph 46 of chapter 3 of Government Auditing Standards since no such quality review program is offered by professional organizations in Bolivia. We believe that the effect of this departure from the financial audit requirements of Government Auditing Standards is not material because we participate in the Coopers & Lybrand worldwide internal quality control program which requires the Coopers & Lybrand (Bolivia) office to be subjected, every three years, to an extensive quality control review by partners and managers from other Coopers & Lybrand offices.

As described in Note 2, the fund accountability statement was prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the fund accountability statement referred to above fairly presents, in all material respects, project revenues collected and expenses disbursed for the year ended December 31, 1992 on the basis of accounting described in Note 2, and costs reported as incurred and reimbursed by USAID/Bolivia during the period are allowable, allocable, and reasonable in accordance with agreement terms, and applicable laws and regulations.

This report is intended solely for the use of the Bolivian Institute for Agricultural Technology and the United States Agency for International Development. 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.

La Paz, Bolivia
April 15, 1993

Coopers & Lybrand

**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
 USAID/BOLIVIA PROJECT No. 511-0617
 COMPONENT MANAGED BY THE
 BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY**

**FUND ACCOUNTABILITY STATEMENT
 FROM JANUARY 1 TO DECEMBER 31, 1992**

(Expressed in Bolivianos - Note 2)

	BUDGET	ACTUAL	AVAILABLE	QUESTIONABLE COSTS	
				QUESTIONED	UNSUPPORTED
	-----	-----	-----	-----	-----
INCOME					
Funds provided by USAID/Bolivia	12,906,399	9,416,988	3,489,411		
DISBURSEMENTS					
Training, studies and communications	3,395,966	1,330,813	2,065,153		
Construction	554,280	152,250	402,030		
Machinery and materials	1,872,827	684,834	1,187,993		
Operating costs	7,083,326	4,581,195	2,502,131		
Other	0	0	0		
TOTAL DISBURSEMENTS	12,906,399	6,749,092	6,157,307	-	-
Balance		2,667,896			
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The accompanying notes are an integral part of this fund accountability statement.

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**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT No. 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY**

**NOTES TO THE FUND ACCOUNTABILITY STATEMENT
FROM JANUARY 1 TO DECEMBER 31, 1992**

NOTE 1: DESCRIPTION OF THE PROJECT AND NATURE OF OPERATIONS

On July 5, 1991, USAID/Bolivia approved the Cochabamba Regional Development Project (CORDEP), USAID/Bolivia Project No. 511-0617, which provides \$80,000,000 in grant funds to the Republic of Bolivia. As part of the grant agreement, the Government of Bolivia (GOB) agreed to provide a counterpart contribution of \$40,000,000 channeled through the PL-480 Executive Secretariat and the Directorate of External Finance and Monetization. The project assistance completion date is September 30, 1997.

The goal of the project is to increase the level of investments, productivity, and employment in licit activities as Bolivia transforms its economy based on coca. The purpose of the project is to develop alternative sources of income and employment for the population in the project area. This will be met by focusing on coca growers as well as people involved in activities not related with coca in order to develop a social and organizational atmosphere at the local level to sustain the changes desired.

The geographical area in which the project focuses is the department of Cochabamba, and eventually other areas near this territory could be included (Santa Cruz, Potosí and Chuquisaca).

The project is an effort of five years to develop alternatives for income and employment in the department of Cochabamba and its areas of influence. The project will concentrate on the improvement and the development of new local markets and the export of raw and finished agricultural products, increasing in this way employment and income. Although the purpose of the project is to increase rural family income, the project is based on a market-oriented design that will lead to an increase in licit economic activities.

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**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT No. 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY**

**NOTES TO THE FUND ACCOUNTABILITY STATEMENT
FROM JANUARY 1 TO DECEMBER 31, 1992**

**NOTE 1: DESCRIPTION OF THE PROJECT AND NATURE OF OPERATIONS
(Cont.)**

USAID/Bolivia provides the global administration related to USAID requirements of the CORDEP project.

The Subsecretary of Alternative Development (SUBDESAL) is a subsecretary of the Ministry of Agriculture and Campesino Affairs responsible for providing overall direction and policy guidance for the project and works closely with the Program of Alternative Regional Development (PDAR).

At the Cochabamba level, PDAR is responsible for both technical and financial control of the entire project.

IBTA/Chapare is responsible for providing agricultural research and extension services in the Chapare region, particularly to former coca growers. IBTA/Chapare maintains two agricultural experimental farms - one in La Jota (agriculture) and the other in Chipiriri (farm animals).

Based on the success of IBTA/Chapare, IBTA in the valleys should be strengthened. The project provides resources for research in alternative crops, as well as training and extension programs to support agricultural sub-projects and NGOs in the area. Financing of the two IBTAs is being channelled through PDAR.

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**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT No. 511-0617
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**NOTES TO THE FUND ACCOUNTABILITY STATEMENT
FROM JANUARY 1 TO DECEMBER 31, 1992**

**NOTE 2: FUND ACCOUNTABILITY STATEMENT PREPARATION BASIS AND
SUMMARY OF ACCOUNTING POLICIES**

The fund accountability statement of the Bolivian Institute for Agricultural Technology (IBTA) has been prepared in Bolivianos, the local currency in Bolivia, and reflects the proceeds received by the entity provided by USAID/Bolivia under Project No. 511-0617 and the corresponding disbursements in accordance with the premises of the CORDEP project.

In accordance with USAID/Bolivia policies, the above mentioned fund accountability statement does not include purchases of materials and/or services (technical assistance) directly made by USAID/Bolivia on behalf of the project and counterpart contributions provided by the Government of Bolivia.

The fund accountability statement has been prepared on the cash basis of accounting. Consequently, income is recognized when received rather than when earned and expenditures are recognized when paid rather than when the obligation is incurred.

The cost of fixed assets are charged directly to the project and are not depreciated. Using the same procedure, materials and supplies are charged directly to the project when the payment is made and not when the goods are used.

NOTE 3: EXCHANGE RATES

During 1992 the Bolivian currency devalued against the United States dollar from Bs3.75 per US\$ 1 on January 1, 1992 to Bs4.10 on December 31, 1992.

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**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT Nº 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY**

**REPORT ON THE INTERNAL CONTROL STRUCTURE
FROM JANUARY 1 TO DECEMBER 31, 1992**

INDEPENDENT AUDITOR'S REPORT

We have audited the fund accountability statement of the Cochabamba Regional Development Project, USAID/Bolivia Project No. 511-0617, component managed by the Bolivian Institute for Agricultural Technology (IBTA), for the year ended December 31, 1992, and have issued our report thereon dated April 15, 1993.

Except for not conducting an external quality control review by an unaffiliated audit organization as described further in our opinion on the fund accountability statement, we conducted our audit in accordance with generally accepted auditing standards and the financial audit requirements of 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.

In planning and performing our audit of the Cochabamba Regional Development Project component managed by the IBTA, for the year ended December 31, 1992, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on that fund accountability statement and not to provide assurance on the internal control structure.



The management of IBTA is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. 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 permit the preparation of the fund accountability statement in accordance with the accounting basis described in Note 2 to the fund accountability statement.

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 internal control structure policies and procedures in the following categories:

- Cash receipts and disbursements,
- Budgeting controls,
- Bank accounts and funds controls,
- Inventories management,
- Procurement system, and
- Subproject monitoring

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk. Those controls have been selectively tested during the audit.

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 IBTA's ability to record, process, summarize and report financial data consistent with the assertions of management in the fund accountability statement. The reportable conditions noted are described in finding Nos. 1 to 8 in the following pages.

cl

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure 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 consider finding Nos. 1 to 5 to be material weaknesses.

We also noted other matters involving the internal control structure and its operation that we reported to the management of IBTA in a separate communication dated April 15, 1993.

This report is intended solely for the information of the management of the Bolivian Institute for Agricultural Technology and the United States Agency for International Development. 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.

La Paz, Bolivia
April 15, 1993

Coopers & Lybrand

**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT No. 511-0617
COMPONENT MANAGED BY
THE BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY**

**INTERNAL CONTROL SYSTEM- REPORTABLE FINDINGS
FROM JANUARY 1 TO DECEMBER 31, 1992**

**1. THERE IS IMPROPER SEPARATION OF DUTIES IN THE MANAGEMENT AREA
CONDITION**

From the assessment conducted on control disciplines in the management area, we found that during his vacation periods, the entity's accountant performs tasks of salary payment and fills the function of cashier.

CRITERIA

Every internal control system requires the existence of a proper separation of functions in order to achieve a suitable opposition of interests, thus reducing the risk of inappropriate handling of funds.

CAUSE

To cover management needs, the entity requested the accountant's support during his vacation period and assigned him tasks that are incompatible with his usual function.

EFFECT

Unauthorized payments and fund shifts could occur and remain unnoticed as the accountant is at the same time responsible for both reviewing and approving the recording of accounting transactions.

Eventual irregularities, such as deviation of funds to other purposes, could imply economic losses for the entity.

RECOMMENDATION

We recommend that IBTA respect internal control standards and its personnel should, therefore, not be authorized to carry out, during their vacation periods, tasks that are incompatible with their normal function.

col

2. DEFICIENCIES IN PROCEDURES FOR SUPPLIERS SELECTION AND AWARD

CONDITION

In our examination of the purchasing procedure and its supporting documentation, we found undated quotation requests, purchase orders and comparison tables.

CRITERIA

The data containing the documentation supporting the process of suppliers selection and award should be complete and accurate so as to assure the transparency of procurement transactions.

CAUSE

Lack of proper supervisory control over the data contained in the documentation supporting purchases made.

EFFECT

The deficient procedures take away transparency from the suppliers selection and award process and they could facilitate inadequate management of the entity's resources or allow direct purchases to be made and justified only subsequently with undated quotations. Also, the procedures fail to meet legal provisions ruling the engagement of public goods and services established in Supreme Decree N° 21060 Annex III and Supreme Decree N° 22678.

RECOMMENDATION

We recommend that IBTA support the suppliers selection and award process with documentation containing in all cases the dates, thus avoiding that these may be considered as transactions not complying with legal provisions in effect.

CA

3. CHECKING ACCOUNT OPENED UNDER PROJECT OFFICIALS' NAMES USED TO PAY SALARIES TO PERSONNEL

CONDITION

From our examination of salaries paid to personnel, we found that the entity:

- a) Opened a joint checking account at Banco Nacional de Bolivia N° 30000059055 in the name of the accountant and the cashier of the institution, which is used to pay salaries of IBTA's personnel.
- b) Also, 100% of salaries are not paid to personnel, thus retaining in this account amounts related to personal tax withholding, a procedure that is not authorized by USAID/Bolivia.

CRITERIA

Entity's funds can only be handled through accounts opened in its name. Further, the bank account cannot be managed by persons that by their functions do not ensure a proper opposition of interests, i.e. the person recording transactions cannot have relation with the handling of funds.

CAUSE

Misinterpretation of USAID/Bolivia's instructions for opening and using the checking account in the name of two officials of the entity.

EFFECT

The above mentioned weaknesses, in addition to implying non compliance of USAID/Bolivia standards, enables eventual misuse of funds, as the accountant could authorize accounting recordings that hide the detection of such fund shifts.

RECOMMENDATION

We recommend that IBTA manage the funds of the project only through accounts in its name, and by the basic internal control principle that the accountant cannot manage the entity's funds.

CH

4. CONTROL DEFICIENCIES IN CHIPIRIRI EXPERIMENTAL STATION

CONDITION

During our visit to the Chipiriri Experimental Station, we found the following deficiencies related to handling funds, inventory control and other responsibilities.

- a) On proving the cash on February 10, 1993, an excess difference of Bs733.60 reflected and could not be explained.
- b) During the absence of the administrator, the task of selling products was assigned to personnel not responsible for the area, and no receipts nor sales notes were issued corresponding to such activity.
- c) There is no functional segregation in the handling of funds originated from the sale of products and the control of stock, falling both tasks upon a single worker.
- d) A deficient handling of the kardex in the warehouse was evidenced as no detailed control was carried on the turnover of fuel and spare parts for vehicles.
- e) A lack of follow-up and control was found in the credit portfolio from genetic material sales, establishing that as of the date of our visit the overdue portfolio amounted to 64% (Bs107,132) of the total balance.

CRITERIA

- a) The mentioned difference must be analyzed and an adjustment made.
- b) Receipts and notes must be issued for all cash sales in order to maintain proper controls over the completeness and accuracy of the performed sales operations and related stock turnover.
- c) Activities related to sale of products and control of stock must be done by different persons.
- d) The kardex must be maintained on a detailed basis and the storekeeper must be responsible for the physical turnover of the warehouse and its custody.

cl

4. CONTROL DEFICIENCIES IN CHIPIRIRI EXPERIMENTAL STATION
(Continued)

- e) Overdue portfolio related to sale of genetic material must be periodically controlled.

CAUSE

- a) Regarding a, b, d, and e above, all are due to lack of application of appropriate control procedures and lack of a proper supervision of experimental stations.
- b) Regarding c above, no appropriate separation of functions has been established based on internal control standards.

EFFECT

Inadequate controls over cash, product sales and warehouse stock may cause economic damages for the project.

RECOMMENDATION

We recommend that IBTA strengthen its controls over the handling of funds and inventories in such a way that:

1. misuse of funds is prevented.
2. loss or unauthorized use of inventories is prevented.

We also recommend that IBTA strengthen the control of its overdue portfolio in order to reduce the risk of loss from uncollectible accounts receivable for the entity.

CH

5. DEFICIENCIES IN LA JOTA EXPERIMENTAL STATION

CONDITION

During our visit to the La Jota Experimental Station, the following deficiencies were found related with the handling of inventories in general.

- a) Lack of inventory control was evidenced by the delay in recording turnover in the kardex and non recording of certain items (spare parts for vehicles).
- b) No adequate follow-up and control was being performed on the credit portfolio of genetic material sales. The overdue portfolio amounts to 63% (Bs175,605) of the total.

CRITERIA

- a) Adequate controls must be maintained over inventories through a timely kardex recording, especially for vehicle spare parts.
- b) Overdue portfolio must be periodically controlled, especially in genetic material sales.

CAUSE

Lack of application of proper control procedures and a weak supervision by IBTA on the experimental stations.

EFFECT

Inadequate kardex controls over inventory turnover, lack of destination identification of warehouse outlays, and deficient overdue portfolio control could imply economic losses for the project, as inappropriate handling of assets could pass unnoticed.

cd

5. DEFICIENCIES IN LA JOTA EXPERIMENTAL STATION (Continued)

RECOMMENDATION

We recommend that IBTA strengthen its controls over inventories in such a way that:

- a) complete and updated kardex records are maintained.
- b) evidence is left of the physical destination of inventory outlays, including the use of fuel.

We also recommend that IBTA strengthen controls on its overdue credit portfolio in order to reduce their uncollectibility risk which would imply losses for the entity.

CR

6. LACK OF PREPRINTED NUMBERING OF EXPENSE DOCUMENTATION

CONDITION

On checking the supporting documentation for expenses, the lack of preprinted numbering was noted on the following internal use documents:

- Payment order
- Purchase order
- Shipping note to warehouse
- Request for quotations
- Supply order

CRITERIA

Documentation supporting expenses should have preprinted numbering in order to be able to control the completeness of the recorded transactions.

CAUSE

The entity has not established policies for the issuance of prenumbered accounting documents as a basis to be able to exercise integrity controls of the documentation supporting performed transactions.

EFFECT

The lack of prenumbering of the above mentioned documentation does not permit the entity to exercise integrity controls by reviewing the numerical sequence of vouchers. Therefore, omissions or duplications could exist in the accounting records and not be detected timely.

RECOMMENDATIONS

We recommend that IBTA use prenumbered forms and exercise numerical sequence controls on the recorded transactions, in order to assure there are no omissions in the accounting for these transactions.

CU

7. DEFICIENCIES IN VEHICLE DOCUMENTATION AND INSURANCE COVERAGE

CONDITION

Deficiencies were noted in ownership documentation of the entity's vehicles:

- | | |
|--|----|
| a) Vehicles without ownership card: | 3 |
| b) Vehicles without license plate: | 1 |
| c) Vehicles with provisional license plate: | 28 |
| d) Vehicles without insurance coverage: | 6 |
| e) Vehicles without ownership documentation: | 6 |

CRITERIA

All aforementioned vehicles must be registered at the Municipal Mayoralty in Cochabamba at the Traffic Police Unit in order to obtain the documentation evidencing ownership of such vehicles.

Insurance policies should be kept in effect on the vehicles in order to maintain proper coverage from accidents and/or losses.

CAUSE

Lack of control over the documentation the vehicles are supposed to have, thus failing to meet basic control standards on IBTA's assets.

Furthermore, the entity does not maintain a maturity reminder for each insurance policy, nor a detail of assets and numbers of the related insurance policies.

EFFECT

Lack of ownership documentation could lead to legal problems in the case of accidents or the subsequent sale or transfer of the vehicles.

Further, lack of insurance exposes IBTA to economic losses arising from eventual accidents or robberies.

all

7. DEFICIENCIES IN VEHICLE DOCUMENTATION AND INSURANCE COVERAGE
(Continued)

RECOMMENDATION

We recommend that IBTA obtain the documentation that evidences the ownership of the vehicles and contract insurance coverage for those vehicles not having coverage.

Further, we recommend that IBTA keep an updated detail of all the entity's assets, showing the number and maturity date of the related insurance policy.

CA

8. LACK OF QUARTERLY TECHNICAL REPORTS FROM EXPERIMENTAL STATIONS

CONDITION

As of the date of our audit, IBTA's Experimental Stations had not presented quarterly technical reports on the activities developed in the mentioned stations.

CRITERIA

The experimental stations must present technical progress reports on a quarterly basis, in accordance with the entity's operating plan.

CAUSE

Failure to prepare quarterly technical reports on activities developed in the experimental stations and present same to IBTA.

EFFECT

Without these quarterly reports, IBTA has less information than it should to monitor the progress of its subprojects and to assess compliance with its agreement with USAID.

RECOMMENDATION

We recommend that IBTA require the experimental stations to present quarterly reports of subprojects' progress in order to be able to analyze the reasonableness of the physical progress versus the funds received.

CA

**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT Nº 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY**

**REPORT ON COMPLIANCE WITH AGREEMENT TERMS
AND APPLICABLE LAWS AND REGULATIONS
FROM JANUARY 1 TO DECEMBER 31, 1992**

INDEPENDENT AUDITOR'S REPORT

We have audited the fund accountability statement of the Cochabamba Regional Development Project, USAID/Bolivia Project No. 511-0617, component managed by the Bolivian Institute for Agricultural Technology (IBTA), for the year ended December 31, 1992, and have issued our report thereon dated April 15, 1993.

Except for not conducting an external quality control review by an unaffiliated audit organization as described further in our opinion on the fund accountability statement, we conducted our audit in accordance with generally accepted auditing standards and the financial audit requirements of 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.

Compliance with agreement terms and laws and regulations applicable to the Cochabamba Regional Development Project component managed by the Bolivian Institute for Agricultural Technology is the responsibility of IBTA's management. As part of our audit we performed tests of compliance with significant agreement terms and laws and regulations which may affect the project's goals and incurred costs. However, it should be noted that we performed those tests of compliance as part of obtaining reasonable assurance about whether the financial statements are free of material misstatement. Our objective was not to provide an opinion on compliance with such provisions.

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Material instances of noncompliance are violations of laws, regulations, contracts, grants or binding policies and procedures that cause us to conclude that the aggregation of the misstatements resulting from those violations is material to the fund accountability statement. The results of our tests of compliance disclosed the material instances of noncompliance disclosed in finding Nos. 1 to 5 in the following pages, the effects of which have been corrected in the Bolivian Institute for Agricultural Technology's fund accountability statement for the year ended December 31, 1992.

We considered these material instances of noncompliance in forming our opinion on whether the Bolivian Institute for Agricultural Technology's 1992 fund accountability statement is fairly presented, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated April 15, 1993 on that fund accountability statement.

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

We noted certain immaterial instances of noncompliance with agreement terms, and applicable laws and regulations that we have reported to the management of IBTA in a separate letter dated April 15, 1993.

This report is intended solely for the information of the management of the Bolivian Institute for Agricultural Technology and the United States Agency for International Development. 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.

La Paz, Bolivia
April 15, 1993

Coopers & Lybrand

**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT No. 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY**

**COMPLIANCE WITH AGREEMENT TERMS AND APPLICABLE LAWS AND REGULATIONS
REPORTABLE FINDINGS
FROM JANUARY 1 TO DECEMBER 31, 1992**

**1. DEFICIENCIES IN THE PREQUALIFICATION PROCESS OF CONTRACTORS
FOR SUBPROJECT IMPLEMENTATION**

CONDITION

There is no evidence that IBTA prepares prequalification listings for awarding subproject implementation services and construction in general, for amounts equal to or less than US\$ 25,000. Furthermore, there have been repeated awards during the audited period to the following contractors:

- Crespo Ivan
- Alba Francisco
- Mijaria René

CRITERIA

Prequalification listings of contractors should be prepared so as to ensure through the awards process that the engagement of services is made under the best possible terms for the entity, and that there are signatures of those who authorize each engagement.

CAUSE

Noncompliance with basic control procedures over the tender and awards process.

EFFECT

Noncompliance with Supreme Decree N° 21060 Annex III and Supreme Decree N° 22678. Further, the above-mentioned weakness does not assure the transparency of the purchasing process for public goods and services.

Also, the lack of evidence does not permit an assessment of whether the awarded contracts were the comparative superior ones under aspects of price, terms of payments, quality and other elements that should be considered in the evaluation.

ca

1. DEFICIENCIES IN THE PREQUALIFICATION PROCESS OF CONTRACTORS FOR SUBPROJECT IMPLEMENTATION (Cont.)

RECOMMENDATION

We recommend that IBTA introduce as soon as possible proper procedures for contracting goods and services on basis of the relevant legal provisions, thus assuring the proper use of funds.

cu

2. FUND DISBURSEMENTS FOR NONBUDGETED ITEMS WITHOUT AUTHORIZATION FROM THE FINANCING AGENCY

CONDITION

Payment receipt No. 62 of April 30, 1992 for Bs5,000, covering purchase of minor tools for La Jota and Chipiriri, is not supported by the corresponding budgetary item nor by a previous authorization of the financing agency (the Directorate of External Finance and Monetization - DIFEM).

CRITERIA

Disbursements should only be made for budgeted items. Should unbudgeted disbursements be necessary, a previous authorization by the financing agency must be suggested, even if a reformulation of the budget is foreseeable.

CAUSE

Lack of proper supervision of the budgetary process and disbursement authorization.

EFFECT

Although it is an isolated case in the examined sample, the purchase referred to above does not reflect a transaction authorized by the financier (DIFEM), as such transaction was not budgeted.

RECOMMENDATION

We recommend that IBTA strengthen its procedures for supervision and previous approval for the purchase of goods and services, in order to avoid fund disbursements for non-budgeted items and therefore without the relevant authorization of the financing agency.

cu

3. ENGAGEMENT OF PERSONNEL WITHOUT EVIDENCE OF AUTHORIZATION BY USAID/Bolivia

CONDITION

We noted that eventual administration personnel were engaged for performing tasks related to the preparation of the 1991 balance sheet, during the months of June and July, 1992, without authorization of USAID/Bolivia. The implementation of the engaged services could not be verified.

<u>Name</u>	<u>Engagement Term</u>	<u>Amount</u> <u>Bs</u>
Emilio Flores	06/01/92 to 07/31/92	2,200
Daniel Ferrufino	06/01/92 to 07/31/92	1,800
Roberto Tapia	06/01/92 to 07/31/92	<u>2,000</u>
TOTAL		6,000 =====

CRITERIA

Personnel should only be engaged with previous authorization by USAID/Bolivia.

CAUSE

Failing to meet USAID/Bolivia's standards.

EFFECT

Unauthorized use of funds.

On May 1993, and because of our audit observation, Alfredo Sosa, Director of IBTA, returned the unsupported expenses with a deposit of Bs5,100 into IBTA's bank account. Bs900 were withheld as personal tax and paid to the tax authority.

RECOMMENDATION

We recommend that IBTA only engage personnel authorized by USAID/Bolivia. Also written evidence should be kept on the fulfillment of the provided service.

cdl

4. SALARY INCREASES NOT SUPPORTED BY PERFORMANCE EVALUATIONS

CONDITION

From our analysis of personal services, we observed a lack of performance evaluations for personnel who were awarded salary increases in November 1992.

CRITERIA

Increases in salaries for the project's personnel should only be given after evaluating the performance of the employees.

CAUSE

Lack of regulations reflecting such personnel evaluation procedures.

EFFECT

Lack of equitable salary reward, with subsequent social implications.

RECOMMENDATION

We recommend that IBTA implement standards on personnel performance evaluations and a salary curve for remunerations reflecting different levels for the same position, on basis of differences in length of service and each employee's performance.

CU

5. WEAKNESSES IN THE PREPARATION OF FINANCIAL REPORT

CONDITION

As a result of our income analysis, we found that in the financial report of December 1992, Bs34,688 corresponding to interest received from deposits in bank account N° 3000061459, representing USAID reimbursements of expenditures originally financed by the PL-480 Executive Secretariat, were not registered in the project accounting books nor in the financial report.

CRITERIA

The financial report must completely and accurately reflect balances and administered operations.

CAUSE

Lack of appropriate control in preparing the financial report.

EFFECT

Inaccurate information to USAID/Bolivia on the administered funds and operations.

RECOMMENDATION

We recommend that IBTA report all of its bank account balances related with each one of its financial backers.

CDL

**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT No. 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY**

**LIST OF REPORT RECOMMENDATIONS
FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 1992**

A. INTERNAL CONTROL SYSTEM

1. THERE IS IMPROPER SEPARATION OF DUTIES IN THE MANAGEMENT AREA

We recommend that IBTA respect internal control standards and its personnel should, therefore, not be authorized to carry out, during their vacation periods, tasks that are incompatible with their normal function.

2. DEFICIENCIES IN PROCEDURES FOR SUPPLIERS SELECTION AND AWARD

We recommend that IBTA support the suppliers selection and award process with documentation containing in all cases the dates, thus avoiding that these may be considered as transactions not complying with legal provisions in effect.

3. CHECKING ACCOUNT OPENED UNDER PROJECT OFFICIALS' NAMES USED TO PAY SALARIES TO PERSONNEL

We recommend that IBTA manage the funds of the project only through accounts in its name, and by a basic internal control principle that the accountant cannot manage the entity's funds.

4. CONTROL DEFICIENCIES IN CHIPIRIRI EXPERIMENTAL STATION

We recommend that IBTA strengthen its controls over the handling of funds and inventories in such a way that:

1. misuse of funds is prevented.
2. loss or unauthorized use of inventories is prevented.

We also recommend that IBTA strengthen the control of its overdue portfolio in order to reduce the risk of loss from uncollectible accounts receivable for the entity.

dl

5. DEFICIENCIES IN LA JOTA EXPERIMENTAL STATION

We recommend that IBTA strengthen its controls over inventories in such a way that:

- a) complete and updated kardex records are maintained.
- b) evidence is left of the physical destination of inventory outlays, including the use of fuel.

We also recommend that IBTA strengthen controls on its overdue credit portfolio in order to reduce their uncollectibility risk which would imply losses for the entity.

6. LACK OF PREPRINTED NUMBERING OF EXPENSE DOCUMENTATION

We recommend that IBTA use prenumbered forms and exercise numerical sequence controls on the recorded transactions, in order to assure there are no omissions in the accounting for these transactions.

7. DEFICIENCIES IN VEHICLE DOCUMENTATION AND INSURANCE COVERAGE

We recommend that IBTA obtain the documentation that evidences the ownership of the vehicles and contract insurance coverage for those vehicles not having coverage.

Further, we recommend that IBTA keep an updated detail of all the entity's assets, showing the number and maturity date of the related insurance policy.

8. LACK OF QUARTERLY TECHNICAL REPORTS FROM EXPERIMENTAL STATIONS

We recommend that IBTA require the experimental stations to present quarterly reports of subprojects' progress in order to be able to analyze the reasonableness of the physical progress versus the funds received.

ell

B. COMPLIANCE WITH AGREEMENT TERMS AND APPLICABLE LAWS AND REGULATIONS

1. DEFICIENCIES IN THE PREQUALIFICATION PROCESS OF CONTRACTORS FOR SUBPROJECT IMPLEMENTATION

We recommend that IBTA introduce as soon as possible proper procedures for contracting goods and services on the basis of the relevant legal provisions, thus assuring the proper use of funds.

2. FUND DISBURSEMENTS FOR NONBUDGETED ITEMS WITHOUT AUTHORIZATION FROM THE FINANCING AGENCY

We recommend that IBTA strengthen its procedures for supervision and previous approval for the purchase of goods and services, in order to avoid fund disbursements for nonbudgeted items and therefore without the relevant authorization of the financing agency.

3. ENGAGEMENT OF PERSONNEL WITHOUT EVIDENCE OF AUTHORIZATION BY USAID/Bolivia

We recommend that IBTA only engage personnel authorized by USAID/Bolivia. Also written evidence should be kept on the fulfillment of the provided service.

4. SALARY INCREASES NOT SUPPORTED BY PERFORMANCE EVALUATIONS

We recommend that IBTA implement standards on personnel performance evaluations and a salary curve for remunerations reflecting different levels for the same position, on basis of differences in length of service and each employee's performance.

5. WEAKNESSES IN THE PREPARATION OF FINANCIAL REPORT

We recommend that IBTA report all of its bank account balances related with each one of its financial backers.

CEL

**AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT No. 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY**

FOLLOW UP OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS

A. INTERNAL CONTROL SYSTEM

1. EXCESSIVE DELAYS IN FARMERS' REPAYMENT OF CREDITS RECEIVED FROM IBTA

CONDITION

From the analysis we performed as of 11.11.91 on the listing of farmers who are beneficiaries of agricultural inputs credits, we determined that there are delays representing 47% of the balance pending repayment (US\$ 38,067.07) and of approximately 40% of the total value of plants and seeds loaned to farmers.

Following is an ageing schedule of the past due balances.

Delays			
30 days US\$	60 days US\$	90 days US\$	Over 90 days US\$
512	1,586	631	15,263

RECOMMENDATION

We recommend it to be evaluated if IBTA would really need to operate in the above mentioned type of credit operations, due to the fact that they are not included within the main objectives and originate additional costs to their technical and administrative control.

STATUS

During 1992 this situation has not changed, as evidenced by our finding Nos. 4 and 5 that arise from our visit to the experimental stations.

Al

2. SUBMISSION OF COMPANY DATA IS NOT REQUESTED FROM PROSPECTIVE SUPPLIERS OF GOODS AND SERVICES

CONDITION

We verified that it is not the entity's policy to request company data of the firms invited to provide goods and/or services.

RECOMMENDATION

To adequately document the final supplier selection process, we recommend IBTA request prospective suppliers to provide company data along with their goods or services offers.

STATUS

During the 1992, the entity did not correct this deficiency.

3. INADEQUATE PRACTICE USED TO MAKE CERTAIN PAYMENTS

CONDITION

We determined that checks are issued to the order of the cashier to make per diem and wages payments to personnel hired by the Experimental Stations. The cashier cashes these checks and transports the proceeds to the Chapare located stations.

Following are some examples in support of the above.

<u>Date</u>	<u>Voucher No.</u>	<u>US\$</u>
12.04.91	284	7,520
12.05.91	290	1,165
12.18.91	311	12,651
12.24.91	320	2,231
12.24.91	321	7,623
12.28.91	327	1,279

cal

3. INADEQUATE PRACTICE USED TO MAKE CERTAIN PAYMENTS (Cont.)

RECOMMENDATION

We recommend checks be drawn on an account to be opened in any bank located in the Chapare region to facilitate these payments and thus avoid the transportation on cash. An alternative would be to open personal bank accounts in the names of the personnel hired by the Experimental Stations and that funds transfers be made to those accounts.

STATUS

In 1992, the payment procedure for per diem and labor has not been changed, despite the inherent risk in these types of payments.

4. BALANCE WITH PDAR NOT RECONCILED

CONDITION

We verified that IBTA does not periodically reconcile the Regional Development Alternative Program (PDAR) balance, resulting from funds transfers by PDAR and charges for payments PDAR makes on IBTA's behalf.

RECOMMENDATION

We recommend that these reconciliations be made monthly or quarterly with a view to strengthen integrality and accuracy controls over the balance and in addition, the financing institution should advise IBTA on the amounts and dates on which transfers of funds for IBTA are made.

STATUS

During the 1992 period, the entity did not correct these deficiencies, aggravated by the fact that during the mentioned period the funds did flow through PDAR.

5. PROCEDURES MANUAL NOT UPDATED

CONDITION

The procedures manual in use is not updated and therefore, fails to address the entity's current operational needs.

cell

5. PROCEDURES MANUAL NOT UPDATED (Cont.)

RECOMMENDATION

We recommend that procedures manual changes and updating be made in accordance with the entity's current operational needs.

STATUS

During the 1992 period, a consulting firm has been contracted to perform this task, which was completed in October 1992. However, up to December 31, 1992, it was not implemented.

B. COMPLIANCE WITH AGREEMENT TERMS AND APPLICABLE LAWS AND REGULATIONS

1. CERTAIN TAX AND SOCIAL SECURITY CONTRIBUTION SITUATIONS SHOULD BE CORRECTED

CONDITION

During the course of our review we noted the following:

- a. The entity does not issue invoices, report or pay the value added tax (VAT) resulting from the sales of genetic products to campesinos. In addition to the VAT, the entity is legally required to pay the tax on transactions.
- b. The entity does not make the required contributions to the National Housing Fund, nor does it withhold the corresponding amounts from employees or accrue employer contributions.

CEL

1. CERTAIN TAX AND SOCIAL SECURITY CONTRIBUTION SITUATIONS SHOULD BE CORRECTED (Cont.)

We determined that the effect of the above omission approximates the following amount:

	Withholding from Employees <u>Bs</u>	Employer Contribution <u>Bs</u>	Total <u>Bs</u>
Contributions at current values	9,509	182,710	192,219
Interest	1,261	23,716	24,977
Delinquency fine	<u>126</u>	<u>2,371</u>	<u>2,497</u>
	10,896 =====	208,797 =====	219,693 =====

- c. Because of the nature of the project, IBTA is exempt from corporate profit tax payments, however, a formal exemption should be obtained from the Internal Taxation Directorate.

RECOMMENDATION

We recommend that the above points be resolved in order to avoid potential loss arising from fines and financial charges.

STATUS

So far, no action has been taken a) and c) have.

As to b), during 1992 and under the new CORDEP project, IBTA made the required payments but the contingency for payments not made during the life of the Chapare Regional development Project still exists.

CEL

2. LABOR CONTROL AREAS REQUIRING IMPROVEMENT

CONDITION

During our review we noted the following weaknesses in labor control areas.

- a. Fixed term personal services contracts (PSCs) are renewed on a yearly basis which is in violation of Art. 2 of Decree 16187/79 which prohibits more than two continuous PSC renewals.
- b. Termination notices to low rank employees are issued for periods shorter than the required 90 days before the rescission date, without the payment in lieu of notice having been made. This practice is in violation of Art. 12 of the General Labor Law.
- c. The PSCs are not signed by the Ministry of Labor as required by Art. 22 of the General Labor Law.
- d. Labor used for rural chores is always paid at the daily wage over the established basic daily wage of US\$ 3.35. This over payment should only be payable to qualified laborers while the those receiving it are of mixed qualifications.

RECOMMENDATION

We recommend that strict compliance be given to each of the above labor law regulations.

STATUS

During the 1992 period, the above deficiencies were not corrected.

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AUDIT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT
USAID/BOLIVIA PROJECT No. 511-0617
COMPONENT MANAGED BY THE
BOLIVIAN INSTITUTE FOR AGRICULTURAL TECHNOLOGY
FROM JANUARY 1 TO DECEMBER 31, 1992

ANNEX 2: MANAGEMENT COMMENTS

**RESPUESTA DEL IBTA A LAS OBSERVACIONES
DE COOPERS & LYBRAND**

1. No se ha efectuado ninguna cancelación de sueldos al personal regular por parte del Contador de la entidad, contando para este fin con un cajero habilitado.

La cancelación de contratos eventuales de mano de obra, efectivamente ha sido realizada por el Sr. Contador de la institución en algunas oportunidades, en razón de no dejar sin responsable la custodia y el manejo de fondos de Caja Chica de la Institución.

Dicha cancelación ha sido realizada bajo la supervisión de los Srs. Administradores de las Estaciones Experimentales y conforme a la planilla confeccionada al respecto. Para este efecto, en oportunidad del goce de vacaciones del Sr. Germán Vargas, se instruyó la suspensión de la misma por falta de personal. (Observación N°1 - Control Interno)

2. Para corregir las observaciones referentes a este punto, se han emitido instrucciones pertinentes que garanticen el adecuado control tanto en el proceso de selección de los proveedores como en la adquisición de los insumos, los cotizadores no cuentan con medios coercitivos para la obtención de cotizaciones, las casas comerciales no proporcionan cotizaciones al día con algunas excepciones. (Observación N°2 - Control Interno)

3. Consideramos no procedente la numeración preimpresa en los documentos señalados en observación (solicitud de cotización, pedido de suministros), porque los mismos pueden ser anulados por expiración de fecha de la oferta y ejecución. Sin embargo, de esto todos estos documentos corresponden al número de documento contable, luego de su aprobación correspondiente y emisión de las Notas de Remisión. Los pedidos se elaboran en forma indistinta por las Estaciones Experimentales La Jota, Chipiriri, Oficina de Extensión Villa Tunari y Oficina Central. (Observación N°6 - Control Interno)



RESPUESTA DE IBTA/CHAPARE A
OBSERVACIONES COOPERS & LYBRAND

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4. Existe el registro completo de inventarios al 31 de diciembre de 1992, de acuerdo a recomendaciones o codificaciones de responsabilidad. Con referencia a esta observación cabe señalar que a la Estación Experimental La Jota ingresaron cinco purificadores de agua marca Europa y uno a la extensión de Villa Tunari, los mismos que se hallan codificados en reporte de activos al 31.12.92; nos cabe aclarar que la Estación no contaba con un Encargado de Almacenes, sin embargo, el nuevo sistema de control de almacenes fue ajustado de acuerdo a recomendaciones de la firma Price Waterhouse que debe ser apoyado por un sistema computarizado para un mejor manejo de stocks.

Con referencia a otros seis purificadores, se explica en el informe de la Est. Exp. de Chipiriri, inciso 13 (Carta Administrativa)

5. Existe un listado de contratistas menores y empresas constructoras de las cuales para la gestión 92 se seleccionaran a aquellas que ejecutaron trabajos satisfactorios durante al gestión 87 - 91, calificando la buena ejecución y responsabilidad de la obra y el precio razonablemente más bajo, cumpliendo con las normas de precalificación y supervisión de obra. (Observación N°1 -Cumplimiento)
6. El Presupuesto se halla en proceso de reformulación al cierre de la ejecución presupuestaria de la gestión 1992 donde se consignará el gasto observado. (Observación N°2 - Cumplimiento)
7. Al contar con presupuesto para la contratación de personal no permanente, se considera no necesaria la aprobación de USAID porque al haber sido aprobado el presupuesto de gestión, existe tácitamente la autorización para la contratación de esta clase de personal a corto plazo.

Por no haberse cumplido con los tres contratos para preparación de Balances 91, dichos fondos fueron revertidos a la misma cuenta bancaria. (Observación N°3 - Cumplimiento)

RESPUESTA DE IBTA/CHAPARE A
OBSERVACIONES COOPERS & LYBRAND

..3

8. Se procedió a un proceso de regulación de sueldos del personal siguiendo el trámite correspondiente, de acuerdo a la aprobación presupuestaria y reajustes para cada caso (se adjunta documentación y antecedentes). (Observación N°4 - Cumplimiento).
9. Se procedió a la regularización de todo el parque automotor con los respaldos de pólizas de importación, carnets de propiedad, cambios de placas y registro de la H. Alcaldía Municipal. Asimismo, se encuentran debidamente asegurados y consignados bajo registro e inventarios. (Observación N°7 - Control Interno)
10. Una vez concluido el trimestre los técnicos de cada estación presentan sus respectivos informes trimestrales en borrador, los mismos que deben ser transcritos en limpio; empero, no se cuenta con un transcriptor para el indicado trabajo. Por otra parte, cada informe es consolidado por los responsables de Programa y Jefes de Area. Efectuándose un riguroso control de gastos por componentes para el cumplimiento de lo programado por cada técnico en Investigación, Producción y en forma indistinta se elaboran informes anuales para su evaluación. (Observación N°3 - Control Interno)
11. La cancelación de salarios al personal regular del Proyecto, se efectúa mediante planilla con los descuentos autorizados por ley.

Debido a que el personal del Proyecto no tiene oportunidad de efectuar transacciones en la ciudad por el corto período de permanencia, los funcionarios en pleno solicitaron mediante notas tanto al Contador como a la Cajera Habilitada, se realizaron los descuentos de casas comerciales y cuentas personales del Proyecto (alimentación de las Estaciones Experimentales a través de sus dependencias).

Estos fondos quedan en cero por la prontitud de pago, Cuenta sólo de resguardo momentáneo y control mixto.



A handwritten signature in black ink, appearing to be a stylized name or set of initials.

RESPUESTA DE IBTA/CHAPARE A
OBSERVACIONES COOPERS & LYBRAND

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En ningún momento se presentó el caso de no abonar el 100% de los haberes a los empleados, puesto que cada trabajador tenía el control del líquido pagable y las deducciones por deudas contraídas y su aprobación de cada funcionario.

Consideramos que este proceso es el más adecuado para facilitar transacciones comerciales al personal y no está en contra de las disposiciones de AID.

Se hace constar además, que todo crédito de las casas comerciales fueron suspendidos por recomendaciones de USAID (nota IBTA/CH 659/92, IBTA/ADM 171/92, 172/92, 173/92 Y 174/92). (Observación N°3 - Control Interno)

12. El saldo de Bs. 34.688 se considera a partir del mes de enero partiendo con el saldo de referencia y regularizándose mes por mes en informes posteriores. (Observación N°5 - Cumplimiento).
13. Se adjunta aclaraciones de la Estación Experimental de Chipiriri. (Observación N°4 - Control Interno).
14. Inciso a)
Con referencia a los registros de repuestos de vehículos, evidentemente no se llevaron a cabo ya que los mismos son cambiados en la posta de la ciudad de Cochabamba, por lo tanto no ingresan a Almacenes. (Observación N°5 inc. a) - Control Interno).
Inciso b)
Al respecto, se efectuó una verificación de auditoría conjuntamente con el Arq. Alfredo Arce en los almacenes de COBOCE y debido a sistemas climatológicos de humedad éstos no pueden ser ingresados a almacenes hasta el inicio de la obra. (Carta Administrativa).
Inciso c)
Esta deficiencia corresponde al mes de agosto de 1992, la misma que fue regularizada. (Carta Administrativa)
Inciso d)
Se debe indicar que el personal de extensión y producción se encuentra en constante plan de recuperación de crédito vencido. (Observación N°5 inc. b) - Control Interno).



ACLARACIONES DE LA ESTACION EXPERIMENTAL CHIPIRIRI
CORRESPONDIENTE A OBSERVACION N°4 CONTROL INTERNO

MINISTERIO DE AA. CC. Y AGROPECUARIOS
INSTITUTO BOLIVIANO DE TECNOLOGIA AGROPECUARIA
PROYECTO IBTA/CHAPARE
ESTACION EXPERIMENTAL "CHIPIRIRI"

Cochabamba, 18 de mayo de 1993
DCHIP/64/93

Señor
Ing. Agr. M. Sc. Franklin Lastra B.
DIRECTOR GENERAL PROYECTO IBTA/CHAPARE
Presente.-

REF.: INFORME ACLARATORIO INFORME BORRADOR COOPER & LYBRAND

Señor Director:

Por la presente nos permitimos hacer llegar a su despacho las aclaraciones y justificaciones correspondientes a las deficiencias de control encontradas en el trabajo de auditoría realizado a la Estación Experimental de Chipiriri.

PUNTO A.

- Si bien es cierto que para ganar tiempo y facilitar el trabajo de depósito y así evitar el acúmulo de dinero en la Estación Experimental, se realizó un depósito por adelantado de Bs 513,00 (QUINIENTOS TRECE 00/100 BOLIVIANOS), informe de ventas recabado por radio) a la cuenta de venta de leche recaudado durante el turno del 6 al 10 de febrero del presente año.
- Al presente y para el futuro se ha instruido la prohibición de realizar este tipo de depósitos; para mayor abundamiento a continuación se presenta el cuadro resumen de los 2 arqueos realizados en esa oportunidad:

MINISTERIO DE AA. CC. Y AGROPECUARIOS
INSTITUTO BOLIVIANO DE TECNOLOGIA AGROPECUARIA
PROYECTO IBTA/CHAPARE
ESTACION EXPERIMENTAL "CHIPIRIRI"

4.

PUNTO B.

En este punto, no es cierto que la venta de productos lácteos y material genético se delegue a personal no responsable de la institución; siempre a sido y es norma que quedan 2 técnicos responsables de turno, siendo uno de ellos encargado del manejo administrativo y el otro de la atención de aspectos netamente técnicos; es por esto que el primer día del ingreso es cuando se regularizaba la emisión de Notas de Venta correspondientes.

Sin embargo a sugerencia de las auditorías; a la fecha se dejan Notas y Recibos de Venta al técnico de turno para su emisión respectiva a cada venta.

PUNTO C.

Los ingresos y salidas del personal técnico-administrativo dificulta segregar las funciones en el manejo de fondos durante los periodos de turno. Para hacer esto como normalmente se realiza, en días normales de ingreso seria necesario duplicar y/o triplicar el personal técnico-administrativo. Por esta razón es que se dejan en los turnos un técnico para el control económico exclusivamente, regularizándose esta situación como se dijo anteriormente el primer día de cada ingreso.

PUNTO D.

En el consumo de combustible se tiene un control detallado por vehiculo registrado en el libro de control de la Estación que hace de Kardex. Sin embargo por recomendación de los auditores se ha instruido el uso de kardex de combustible para el control correspondiente.

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MINISTERIO DE AA. CC. Y AGROPECUARIOS
INSTITUTO BOLIVIANO DE TECNOLOGIA AGROPECUARIA
PROYECTO IBTA/CHAPARE
ESTACION EXPERIMENTAL "CHIPIRIRI"

5.

El control de adquisiciones y manejo del uso de repuestos hasta la fecha de la última auditoría se ha estado manejando exclusivamente a través de la administración central, por ser halla donde se hacen las adquisiciones y el destino final de los mismos.

Para regularizar esta situación; por instrucciones de administración se procedía a la firma de las Notas de Remisión a las Estaciones Experimentales donde pertenecen los vehículos, haciéndose ingresar a los almacenes para dar su salida con cargo a los mecánicos de cada Centro Experimental.

PUNTO E.

Al respecto, el sistema de entrega de plantas con Crédito Institucional es a largo plazo, se optó por este sistema a recomendación y con la debida autorización del ente financiador, a objeto de no estocarnos y finalmente perder este material genético.

Si bien existen pagos menores por este concepto, actualmente no se puede exigir agilidad por ser créditos pagaderos a largo plazo en unos casos y otros en especie como se nombre lo indica.

Pese a esto a través de los técnicos de Extensión permanentemente se esta requiriendo el repagó que los pequeños agricultores tienen dificultades en cancelar.

Finalmente, a la observación en la distribución y ubicación de filtro de agua, en nuestro borrador de inventario de activos fijos al 31 de diciembre de 1992 no figura el destino de 6 filtros que inicialmente y con Nota de Remisión se entregaron a la Est. Exp. de Chipiriri.

Pero por razones de su vida útil efímera no se los consideró al principio en el mencionado inventario, a la fecha y por recomendaciones de los señores auditores se ha incluido en el inventario del 92.

Por instrucciones superiores 5 equipos quedan en la Est. Exp. de Chipiriri y 1 es transferido a la Agencia de Extensión de Villa Tunari, con la Nota de Remisión correspondiente, en consecuencia a continuación se detalla las referencia para su total aclaración.

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**MINISTERIO DE AA. CC. Y AGROPECUARIOS
INSTITUTO BOLIVIANO DE TECNOLOGIA AGROPECUARIA
PROYECTO IBTA/CHAPARE
ESTACION EXPERIMENTAL "CHIPIRIRI"**

6.

<i>Oficina Dirección</i>	<i>01-002</i>	<i>1 Pza purificador de agua</i>
<i>Comedor cocina</i>	<i>03-011</i>	<i>1 Pza purificador de agua</i>
<i>Vivienda cursillistas</i>	<i>05-017</i>	<i>1 Pza purificador de agua</i>
<i>Vivienda Director</i>	<i>07-045</i>	<i>1 Pza purificador de agua</i>
<i>Vivienda Obreros</i>	<i>18-059</i>	<i>1 Pza purificador de agua</i>
<i>Agencia Ext. V. Tunari</i>		<i>1 Pza purificador de agua</i>

Sin otro particular, saludamos a Ud. con nuestras consideraciones mas distinguidas.

Atentamente,

Cr. J. Angel Bascopé M.
ADMOR. E.E. CHIPIRIRI


Ing. Agr. M. Sc. Carlos Castellón C.
DIRECTOR EST. EXP. CHIPIRIRI

c.c.: Planificación
Administración Central
Servicios Generales
Archivo
Cronológico

RESUMEN

TOTAL VENTA DE LECHE	Bs.	513.00
TOTAL VENTA DE QUESO	Bs.	300.60
TOTAL VENTA DE OVIHOS	Bs.	297.00
TOTAL VENTA DE PORCINOS	Bs.	899.50

TOTAL	Bs.	2,010.10
		=====

DINERO EXISTENTE EN CAJA

			CAMBIO
DOLARES AMERICANOS	\$US.	110.00	451.00
BOLIVIANOS	Bs.	1,559.10	1,559.10

		Bs.	2,010.10
			=====

SEGUNDO ARQUEO DE CAJA

VENTA DEL 06-02-93 AL 10-02-93	Bs.	2,010.10
MENOS: DINERO DEPOSITADO POR ANTICI-		
PADO POR VENTA DE LECHE	Bs.	513.00

		1,497.10
		=====

MAS VENTAS DEL DIA 11-02-93

LECHE 97 LITROS	Bs.	97.00
QUESO 8.30 KILOS	Bs.	74.70

		171.70
		=====

TOTAL EFECTIVO EN CAJA AL MOMENTO DEL SEGUNDO ARQUEO	Bs.	1,668.80
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APPENDIX I

REPORT DISTRIBUTION

U.S. Ambassador to Bolivia	1
USAID/Bolivia	5
AA/LAC	1
LAC/SAM	1
LPA/XA/PR	1
LPA/LEG/CL	1
GC	1
AA/M	1
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
RIG/A/Eur/W	1
RIG/A/Bonn	1
RIG/A/Cairo	1
RIG/A/Dakar	1
RIG/A/Nairobi	1
RIG/A/Singapore	1
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