PERFORMANCE AUDIT REPORT ON THE INSTITUTIONAL FRAMEWORK FOR FIGHTING CORRUPTION BY THE ANTI CORRUPTION COMMISSION(ACC)
CASE STUDY: CENTRAL MEDICAL STORES

APRIL 2019

FOREWORD

In submitting this performance audit report for tabling in Parliament, I refer to Section 11 of the Audit Service Act of 2014, which sets out the role of the Audit Service thus: "to audit and report on all public accounts of Sierra Leone and all public offices including the Judiciary of Sierra Leone, the central and local government institutions, the University of Sierra Leone and other public sector institutions of like nature, all statutory corporations, companies and other bodies and organisations established by an Act of Parliament or statutory instrument or otherwise set up wholly or in part out of public funds".

Section 11 (2c) of the Audit Service Act, 2014 gives the mandate to the Audit Service to carry out value for money and other audits to ensure that efficiency and effectiveness are achieved in the use of public funds. In addition, Section 63 (1) sub-section (1e) of the Government Budgeting and Accountability Act, 2005 provides that: "the Auditor-General shall ascertain whether financial business has been carried out with due regard to economy in relation to results achieved". Sub-section 66 (4) of this same Act also states that: "nothing in this section shall prevent the Auditor-General from submitting a special report for tabling in Parliament on matters that should not await disclosure in the annual report".

In line with my mandate as described above, I have the pleasure and honour to submit a detailed report on the performance audit relating to the Institutional Framework for Fighting Corruption.

Lara Taylor-Pearce- FCCA, FCA (SL) (Mrs.)
AUDITOR GENERAL

ABBREVIATIONS AND GLOSSARY OF TERMS

ACA	Anti-Corruption Act
ACC	Anti-Corruption Commission
AUCPCC	African Union Convention on Preventing and Combating Corruption
ASSL	Audit Service Sierra Leone
CMS	Central Medical Stores
DMS	District Medical Stores
FHI	Free Healthcare Initiative
IDI	INTOSAI Development Initiative
IHPAU	Integrated Health Project Administration Unit
IMC	Integrity Management Committee
IT	Information Technology
MDAs	Ministries, Departments and Agencies
MoHS	Ministry of Health and Sanitation
NACS	National Anti-Corruption Strategy
NMSA	National Medical Service Agency
NPPU	National Pharmaceutical Procurement Unit
PHU	Public Health Unit
PNB	Pay No Bribe
RR&IV	Request, Receipt and Issue Voucher
SDGs	Sustainable Development Goals
SOP	Standard Operating Procedures
U N	United Nations
UNCAC	United Nations Convention Against Corruption

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EXECUTIVE SUMMARY

According to the Anti-Corruption Act of 2008, the Commission has the mandate to fight and eradicate corruption in Sierra Leone. The Anti-Corruption Commission (ACC) has made immense progress over the years in its bid to substantially reduce corruption and bribery in all forms. However, even though progress has been made in terms of formulation of anti-corruption strategies, Sierra Leone continues to face major corruption challenges that reflect on the governance structure. A case in point is the Central Medical Stores (CMS) of the Ministry of Health and Sanitation (MoHS) which has faced so many challenges in its operations, including the management and distribution of drugs and medical supplies over the years. The ACC's effort in preventing corruption will be paramount to the achievement of the United Nations' 2030 Agenda for Sustainable Development Goals (SDGs).

In light of the above and in compliance with the Auditor-General's mandate, as detailed in Section 119 (2) of the 1991 Constitution of Sierra Leone, the Audit Service Sierra Leone (ASSL) in collaboration with the International Organisation of Supreme Audit Institutions Development Initiative (IDI) has conducted a Performance Audit on the Institutional Framework for Fighting Corruption. The audit covered the period 2014 to 2017 with the objective of assessing (i) the effectiveness of the ACC's institutional framework in preventing corruption at the national level; and (ii) whether sectorial mechanisms are effective in the storage and distribution of drugs and medical supplies at the CMS of the MoHS. We collected data through interviews with key stakeholders, review of documents and physical observation of the receipt and distribution system of drugs and medical supplies.

The audit was undertaken at the ACC's headquarter in Freetown and the CMS of the MoHS.

MAIN FINDINGS

The findings of this report indicate that some significant matters need improvement whiles some others need to be initiated. The following is a summary of the main findings, conclusions and recommendations arising from this performance audit:

ANTI-CORRUPTION COMMISSION

- The implementation reports of the United Nations Convention Against Corruption (UNCAC) fifth, sixth and seventh sessions on the ACC revealed that the commission should consider addressing private sector corruption. However, the private sector is excluded from the ACC's laws and as such crimes committed by the private sector normally go unpunished.

- There were no measures in the Anti-Corruption Act (ACA), 2008 that prevented unjustified treatment for whistle-blowers. The ACC's response stated that 47.6% of respondents believed that whistle blowers and informants were well protected from potential harassments.

- An average of 49% compliance rate in asset declaration submissions for the period under review was noted. However, the ACC had not penalised any public officer for non-submission. In addition, there was no evidence suggesting that analysis or investigations had been carried out in relation to asset declarations, which is contrary to one of the functions of the commission.

- Over 16 cases were pending in the Court of Appeal and 43 in the high court for indictments made during the period 2014 to 2017. This could be attributed to a number of challenges faced by the ACC such as limited staff, insufficient textbooks and case reference materials on intelligence, investigation and prosecution as stated in their annual reports.

- The ACC's Act of 2008 did not make provision in its laws for maximum timeframe for the initiation of legal proceedings; contrary to the recommendations made by UNCAC for longer statutes of limitations.

- 11 highly budgeted MDA's out of the 63 MDAs were not responsive to the proposed measures in the 2014/2015 National Anti-Corruption Strategy (NACS) compliance monitoring report released in December 2015. In addition, the ACC did not mete out penalties on the failure to comply with its recommendations and action plans.

CENTRAL MEDICAL STORES

- A review of store documents and physical inspection exercises revealed control weaknesses in the receipt and distribution of drugs and medical supplies. Typical examples include the following:

    - A distribution list developed by the CMS was used with no evidence of vital information as prescribed in the SOPs manual. We could therefore not ascertain whether all the drugs and medical supplies received and issued were accurate and complete for the period under review.

    - Drugs and medical supplies were delivered in the absence of the Receiving Bay Officer and other designated personnel; contrary to page 55 of the SOPs manual.

    - No stocktaking was carried out at the CMS and its subsidiaries.

    - There were no labourers at the CMS and its subsidiary stores to help with the receipt and distribution of drugs and medical supplies.

    - Donations were made through the stores at Kingtom without the prior knowledge of the Channel System's Operator. As a result, most of the drugs in the stores were not accounted for in the Channel System.

- The condition of the CMS and its subsidiary stores within Freetown was far from being pleasant. We noted that the storage space in each of the stores could not accommodate the regular receipt of drugs and medical supplies. As a result, drugs were packed on the corridors whilst others were clustered due to the limited space, which could lead to pilferage. It was also observed that piles of expired drugs occupied the space that was meant for drugs yet to be disposed. In addition, the stores lacked shelves, lighting, air conditioning facilities, and serviced fire extinguishers. Furthermore, store equipment like pallets and forklift were not found within the stores except for Fawaz store at Ferry Junction.

- A comparison between the quantity of drugs at the CMS (stores 1 and 2), the Kingtom and Wellington stores (as per a physical count of sampled drugs and medical supplies on shelves) and the quantities of drugs and medical supplies recorded on the stock cards revealed inconsistencies. We noted that the stock cards carried higher quantities than the physical

balances on the shelves. This could be attributed to the fact that store items were removed from stores and put into other use without the details been updated on the stock cards. It could also mean that senior health personnel did not monitor and supervise officers during the receipt, issue and recording of drugs and other medical supplies. We also noted that the shortage of drugs had been highlighted in the following under-mentioned documents:

- The Institutional Anti-Corruption policy 2016 on MoHS (theft of medicines, illegal sale of drugs, fraud, etc.).
- Media reports through the Pay No bribe platform (the illegal sale of government drugs in hospitals and other places due to poor stores management and lack of monitoring of these essential and costly drugs).
- A memo from the Deputy Chief Pharmacist at the CMS, dated 1st February 2018 in respect of frequent theft at the CMS.

- It was observed that the medical store at Kingtom had no assigned storekeeper in post during the review period.

OVERALL CONCLUSION

The ACC has made some efforts in the fight against corruption. However, the Commission has struggled to win the fight due to the omission of pertinent provisions in its act. Typical examples of these laws include issues relating to adequate protection of whistle blowers, private sector activities on corruption etc. The audit also revealed that the Commission has struggled to mete penalties on public officers, and MDAs who failed to declare their assets, and implement NACS recommendations, respectively. Amongst those MDAs is the CMS of the MoHS.

A number of control weaknesses, which created room for corruption, were observed at the CMS. These were related to inefficiencies in the receipt and distribution of drugs and medical supplies; lack of proper monitoring and supervision of the CMS and its subsidiary stores, and poor coordination between the Channel System and the various stores. The lack of the aforementioned has led to weak internal controls in the management of drugs and medical supplies.

RECOMMENDATIONS

- The ACC should review its current laws both in scope and in content and ensure that its laws are effective and conform to generally accepted conventions such as UNCAC, AUCPCC, and other jurisdictions that have achieved some successes in curbing corruption.

- The ACC should start to enforce provisions in its Act against public officers who fail to declare their assets. The enforcement of penalties is an important tool to ensure compliance with the requirements of the declaration regime and if not implemented, public officials may not feel compelled to complete and submit their declaration forms within the set timeframe.

- The Director of Drugs and Medical Suppliers at the CMS should ensure that the SOPs manual is adhered to. This will help to address the inefficiencies and deficiencies observed in the receipt and distribution of drugs and medical supplies and promote accountability and transparency in the health sector.

- The Permanent Secretary at the MoHS should ensure that effective monitoring and supervision is done in all stores and health facilities around the Country, in order to promote effective management of drugs and medical supplies. Designated officers should be assigned to carry out periodic monitoring and supervision on the usage of drugs at the CMS and its health facilities.

1. INTRODUCTION

1.1 Background

The crippling effects of corruption are noticeable in various areas of the government services delivered in Sierra Leone. Therefore, the importance of fighting corruption could not be overemphasised. The Civil Law Convention on Corruption by the Council of Europe defines corruption as "offering, giving or accepting, directly or indirectly, a bribe or any other undue advantage or prospect thereof, which distorts the proper performance of any duty or behaviour required of the recipient of the bribe, the undue advantage or the prospect thereof".

Even though progress has been made in terms of formulation of anti-corruption strategies, Sierra Leone continues to face major corruption challenges that reflect on the governance structure. The ACC's effort in preventing corruption will be paramount to the achievement of the United Nations' 2030 Agenda for Sustainable Development Goals (SDGs). The audit of the Institutional Framework for Fighting Corruption focused on Goal 16.5 of the SDGs that aims at reducing bribery and corruption in all its forms. The broad purpose of conducting this audit is to assess the role of institutional frameworks in preventing corruption. Therefore, this audit has addressed the government's institutional framework in preventing corruption by assessing the ACC and one specific sector, which is the CMS of the MoHS.

The ACC was established by the Government of Sierra Leone through the promulgation of the Anti-Corruption Act of 2000, which gave the ACC the legal mandate to investigate alleged instances of corruption and to prevent corrupt practices in Sierra Leone. The Anti-Corruption Act of 2008 repealed and replaced the former Anti-Corruption Act of 2000 with the aim of strengthening the ACC to effectively execute its functions and mandates. The promulgation of the Anti-Corruption Act of 2008 and the launching of the revised National Anti-Corruption Strategy (NACS) are manifestations of the national and political will in discouraging corruption so that it would not adversely affect the socio-economic development of Sierra Leone.

A case in point is the CMS of the MoHS which has faced so many challenges in its operations, including the management and distribution of drugs and medical supplies over the years.

1.2 Motivation of the Audit

Successive governments have always prioritised the health sector with the largest budgetary support. The government, as part of its priority for the health sector, introduced the Free Healthcare programme for pregnant women, lactating mothers and children under the age of five years. The government and its partners especially the Department for International Development (DfID) have been allocating so much funds and resources to this sector in a bid to tackle infant and maternal deaths. For the programme to effectively benefit the target groups, the government also improved the conditions of service for healthcare workers[1] The 2016 Institutional Anti-Corruption Policy on the Ministry of Health and Sanitation highlighted major corruption issues as stated below:

- procurement of medicines and other medical supplies is vulnerable to inefficiencies and corruption;
- theft of medicines;

[1] Sierra media express.com 2016

- illegal sales of drugs;
- kickbacks from suppliers;
- counterfeit drugs and fake medicines;
- ghost patients/workers;
- absenteeism;
- bribes;
- sale of personal drugs at health facilities;
- fraud; and
- diversion of health facility resources[2]

In Sierra Leone, services at state-run health clinics and hospitals are most times paid for or subsidized by the government in a bid to make them accessible to all, irrespective of economic or social status. However, the reality is that there are health workers who demand money in cases where the service should be free, or impose extra charges in cases where cost should be minimal. We have also heard of situations where free healthcare drugs that were meant to be provided at no cost were illegally sold to beneficiaries, private pharmacies and health clinics.[3]

The decision by government to increase the salaries of healthcare workers, one might expect, should have minimised the acts of extortion and imposition of extra charges. However, to the dismay of many, reports of petty corruption cases such as the sale of free healthcare drugs to beneficiaries have been widespread. These have sometimes resulted to some beneficiaries, (especially women) in the rural areas, resorting to unsafe services of herbalists and traditional birth attendants; undermining the free healthcare programme.

The outbreak of the deadly Ebola disease exposed the problems the sector had been facing. It was during the outbreak that tangible evidence was obtained of how government hospitals and clinics lacked many essential logistics, including basic but life-saving gears such as gloves and many more. Even though someone may quickly point fingers at lack of government support for the deplorable state of healthcare facilities, one may also highlight corrupt practices by the managers of such facilities as a major factor for this state of affairs.

In as much as government and its partners are in the process of heavily investing in the healthcare sector as part of the plans for the post-Ebola recovery package, another measure that should accompany such intervention is to address acts of petty or grand corruption within the sector[4].

The alleged major shortcoming of the Free Healthcare Initiative (FHI), as evidenced in the survey report of the Health for All Coalition (published in the Sierra Leone Concord times' website on February 17th 2015), confirms that some end users are being asked to pay for the Free Healthcare drugs and services. They indicated that they passed the information on to the authorities concerned but no action was taken. They also indicated that they continue to see an increase in this trend and that the control governing healthcare facilities needs to be strengthened to protect the citizens. A report published by Save the Children (a U.K Charity) in December 2014 stated that at Sussex Health Facility, nurses sold to teenagers, contraceptives that should have been freely distributed

[2] Institutional Anti-Corruption Policy on the Ministry of Health and Sanitation May, 2016
3 http://www.anticorruption.gov.sl/show_news.php?id=584
[4]Sierraexpressmedia.com 2016

under the FHI, and that pregnant women were asked to pay for the treatment they received in the facility, which again should not have been the case under the provisions of the FHI[5].

Recent/new development: One of the new platforms used in tackling corruption is the 'Pay No Bribe' campaign. The Pay No Bribe (PNB) is an anonymous reporting platform where one can call a toll free line (515) and report incidences of bribery and corruption. The PNB campaign is designed to collect real time evidence on incidences of bribery and corruption in five key service delivery sectors. These include Education, Electricity, Health, the Police Force and Water and Sanitation. The PNB campaign also provides a useful database on petty corruption and bribery trends to support the work of the ACC.

1.3 Audit Design

1.3.1 Audit Objective

The objective of the audit was to assess the effectiveness of ACC's institutional framework for preventing corruption at the national level and examine how effective the sectorial mechanisms prevent corruption in the storage and distribution of drugs and medical supplies within the Ministry of Health and Sanitation.

1.3.2 Audit Questions

Main Question: Is there an effective institutional framework at the national level for preventing corruption?

Sub-Questions

- Is there an effective legal framework that establishes the ACC and their powers and duties to fight corruption?
- Is there adequate coordination of information sharing between government agencies and/or private sector entities to fight corruption?
- Are there adequate mechanisms to gather information with regards corrupt practices in the public sector, and are follow-ups done?
- Have the ACC setup adequate performance indicators to ensure accountability and transparency of operations?

At the Sectorial level

Main Question: Is there an effective framework for corruption prevention in the storage and distribution of drugs and medical supplies within the MoHS?

Sub-Questions

- Are there effective reporting and monitoring mechanisms in place to prevent corruption in the storage and distribution of drugs at the CMS and other health facilities?

[5] http://slconcordtimes.com/flews-in-the-supply-of-free-healthcare-drugs/

- Is there an effective distribution system in place to prevent corruption at the CMS and other health facilities for drugs and medical supplies?
- Is there integrity in the stores database and its reports?
- Does the MoHS have an effective monitoring and evaluation system in place for essential medicines and medical supplies in health facilities?

1.4 Audit Scope

The primary auditees for this project are the ACC and the CMS of the MoHS. The audit covers the government initiatives to achieve item 16.5 of the SDGs (eradicating corruption at all levels) as well as the role of the ACC in preventing corruption in accordance with its laws and processes.

It focuses on the framework for corruption prevention in the storage and distribution of drugs and medical supplies within the MoHS and selected hospitals in Freetown covering the period 2014 - 2017.

1.5 Methods of Data Collection

The main study commenced with an entrance meeting with key personnel of both the MoHS and the ACC. The methodology used to conduct the main study included the following:

Documents review

Documents were reviewed in order to acquire knowledge and gain clear understanding of the operations, processes and procedures of both the ACC and the CMS. In addition, other relevant documents pertaining to the fight against corruption were also reviewed. See **"Appendix 1"** for details.

Interviews

Key personnel of both the ACC and the MoHS were interviewed to obtain relevant information and better understanding of their roles and responsibilities. This was also done to obtain corroborative information from documents reviewed and observations made during the study. Details of the personnel interviewed are shown in **"Appendix 2"**.

Inspection of Medical Stores

Physical inspection exercises were conducted at the CMS and its outstations in Freetown such as the stores at Kingtom, Ferry junction, and Wellington. The aim was to ascertain whether store personnel were following control procedures, and assess the security status and environmental condition of these stores.

1.6 Source of Assessment Criteria

TABLE 1: AUDIT ASSESSMENT CRITERIA	
Source	**Description of relevant aspects**
The Anti –Corruption Act, 2000 (repealed and replaced in 2008)	**Section 7: Functions of the Commission:** 2) Without prejudice to the generality of subsection (1), it shall be the function of the Commission- (e) to make such enquiries as it considers necessary in order to verify or determine the accuracy of the declarations of assets filed under this Act. **Section 9: Independence of the Commission** (1) The Commission shall act independently, impartially, fairly and in the public interest. (2) Subject to this Act, the Commission shall not, in the performance of its functions, be subject to the direction or control of any person or authority. **Section 119: Public officers to declare assets and liabilities** (1) Every public officer shall within three months of becoming a public officer deposit with the Commission a sworn declaration of his income, assets and liabilities and thereafter not later than 31st March in each succeeding year that he is a public officer, he shall deposit further declarations of his income, assets and liabilities and also while leaving office. **Section 122: Offences in relation to declarations** Any person who (a) fails without reasonable cause, to furnish to the Commission a declaration which he is required to furnish in accordance with the provisions of this Act; (b) knowingly makes any false statement in such declaration; (c) fails without reasonable cause to give such information or explanation as the Commission may require; (d) after a certificate in respect of a declaration has been published in the Gazette pursuant to subsection (2) of section 121, publishes any statement whatever (orally or in writing) challenging the accuracy of that certificate or the honesty or credibility of the declarant, otherwise than by way of a complaint to the Commission; (e) contrary to section 120, discloses or makes known to any person any information contained in any such declaration otherwise than in accordance with this Act or any other enactment;

TABLE 1: AUDIT ASSESSMENT CRITERIA	
Source	**Description of relevant aspects**
	(f) makes any frivolous, vexatious or groundless complaint to the Commission in relation to a declaration or a certificate in respect of such declaration; or (g) fails without reasonable cause to attend an investigation being conducted by the Commission pursuant to section 122 or knowingly gives any false information in such investigation, commits an offence and shall be liable on conviction to a fine not less than twenty million Leones or to imprisonment for a term not less than one year or to both such fine and imprisonment.
United Nations Convention Against Corruption (UNCAC)	**Article 12: Private sector** 1. Each State Party shall take measures, in accordance with the fundamental principles of its domestic law, to prevent corruption involving the private sector, enhance accounting and auditing standards in the private sector and, where appropriate, provide effective, proportionate and dissuasive civil, administrative or criminal penalties for failure to comply with such measures. 2. Measures to achieve these ends may include, inter alia: (a) Promoting cooperation between law enforcement agencies and relevant private entities; (b) Promoting the development of standards and procedures designed to safeguard the integrity of relevant private entities, including codes of conduct for the correct, honourable and proper performance of the activities of business and all relevant professions and the prevention of conflicts of interest, and for the promotion of the use of good commercial practices among businesses and in the contractual relations of businesses with the State; (c) Promoting transparency among private entities, including, where appropriate, measures regarding the identity of legal and natural persons involved in the establishment and management of corporate entities; (d) Preventing the misuse of procedures regulating private entities, including procedures regarding subsidies and licences granted by public authorities for commercial activities; (e) Preventing conflicts of interest by imposing restrictions, as appropriate and for a reasonable period of time, on the professional activities of former public officials or on the employment of public officials by the private sector after their resignation or retirement, where such activities or employment

TABLE 1: AUDIT ASSESSMENT CRITERIA	
Source	**Description of relevant aspects**
	relate directly to the functions held or supervised by those public officials during their tenure; (f) Ensuring that private enterprises, taking into account their structure and size, have sufficient internal auditing controls to assist in preventing and detecting acts of corruption and that the accounts and required financial statements of such private enterprises are subject to appropriate auditing and certification procedures. **Article 23: Laundering of proceeds of crime** 1. Each State Party shall adopt, in accordance with fundamental principles of its domestic law, such legislative and other measures as may be necessary to establish as criminal offences, when committed intentionally: (a) (i) The conversion or transfer of property, knowing that such property is the proceeds of crime, for the purpose of concealing or disguising the illicit origin of the property or of helping any person who is involved in the commission of the predicate offence to evade the legal consequences of his or her action; (ii) The concealment or disguise of the true nature, source, location, disposition, movement or ownership of or rights with respect to property, knowing that such property is the proceeds of crime; (b) Subject to the basic concepts of its legal system: (i) The acquisition, possession or use of property, knowing, at the time of receipt, that such property is the proceeds of crime; (ii) Participation in, association with or conspiracy to commit, attempts to commit and aiding, abetting, facilitating and counselling the commission of any of the offences established in accordance with this article. 2. For purposes of implementing or applying paragraph 1 of this article: (a) Each State Party shall seek to apply paragraph 1 of this article to the widest range of predicate offences; (b) Each State Party shall include as predicate offences at a minimum a comprehensive range of criminal offences established in accordance with this Convention; (c) For the purposes of subparagraph (b) above, predicate offences shall include offences committed both within and outside the jurisdiction of the State Party in question. However, offences

TABLE 1: AUDIT ASSESSMENT CRITERIA	
Source	**Description of relevant aspects**
	committed outside the jurisdiction of a State Party shall constitute predicate offences only when the relevant conduct is a criminal offence under the domestic law of the State where it is committed and would be a criminal offence under the domestic law of the State Party implementing or applying this article had it been committed there; (d) Each State Party shall furnish copies of its laws that give effect to this article and of any subsequent changes to such laws or a description thereof to the Secretary-General of the United Nations; (e) If required by fundamental principles of the domestic law of a State Party, it may be provided that the offences set forth in paragraph 1 of this article do not apply to the persons who committed the predicate offence. **Article 29: Statute of Limitations** Each State Party shall, where appropriate, establish under its domestic law a long statute of limitations period in which to commence proceedings for any offence established in accordance with this Convention and establish a longer statute of limitations period or provide for the suspension of the statute of limitations where the alleged offender has evaded the administration of justice. **Article 33: Protection of reporting persons** Each State Party shall consider incorporating into its domestic legal system appropriate measures to provide protection against any unjustified treatment for any person who reports in good faith and on reasonable grounds to the competent authorities any facts concerning offences established in accordance with this Convention.
African Union Convention on Preventing and Combating Corruption (AUCPCC)	**Article 7(3): Fight Against Corruption and Related offences in the Public Service** In order to combat corruption and Related offences in the Public Service State parties to commit themselves to develop disciplinary measures and investigation procedures in corruption and its related offences with a view to keeping up with technology and increase the efficiency of those responsible in this regard. **Article 10: Funding of Political Parties** Each state party shall adopt legislative and other measures to: (a) Proscribe the use of fund acquired through illegal and corrupt practises to finance political parties; and (b) Incorporate the principle of transparency into funding of Political

TABLE 1: AUDIT ASSESSMENT CRITERIA	
Source	**Description of relevant aspects**
	parties. **Article 11: Private Sector** State Parties undertake to: 1. Adopt legislative and other measures to prevent and combat act of corruption and related offence committed in and by agents of the private sector. 2. Establish mechanisms to encourage participation by the private sector in the fight against unfair competition, respect of the tender procedures and property right. 3. Adopt such other measures as may be necessary to prevent companies from paying bribes to win tenders.
Standard Operating Manual	**Page 53: Issuing Health Commodities** RR&IV serves as the issuing voucher and therefore whoever issues Health Commodities at any level of the system must complete the form. **Page 55: Receiving a Consignment** The designated person should be available at the facility to receive the supplies when the delivery vehicle arrives. If not, an alternative should be chosen. After boxes are unloaded from the truck, do the following: 1. Verify the number of boxes, the number of boxes should match with the quantity indicated on the RR&IV, which is written on the gate pass. The packing list, Air Waybill or Bill of Lading and the Commercial Invoice where applicable can also indicate the quantities. 2. In case of a discrepancy, damaged cartons, or signs of tampering, note it on the gate pass, waybill (where applicable) and record it on the RR&IV. 3. Fill the Reporting form for Returns/Claims (see Job-Aid) Sign the Delivery Note from the driver, keep a copy of the shipping document for the record. 4. Arrange the commodities in the store, put the products in the appropriate place in the storeroom and follow the storage guidelines. 5. Update the Computerized Inventory Control Tool and stock keeping records, stock cards and Inventory Control Cards for each product received and stored (see Job Aid). 6. Follow-up with the Supplier if you did not receive the full quantities of the products indicated in the shipping documents and inform the DDMS. If you received products that will expire in less than 12 months, notify the Director, Drugs and Medical Supplies.

TABLE 1: AUDIT ASSESSMENT CRITERIA	
Source	**Description of relevant aspects**
	Page 73: The Store Room The storeroom is where the purchased Health commodities are received, packed, conserved and issued. The storeroom is a security area and must be forbidden to visitors. There should be restricted assess at all times with only designated Health Officials given access to it. The storeroom must be designed to suit the nature of the products. It must be properly organised to ensure easy receipt, storage and distribution of supplies. **Page 74: Guidelines for Storage** The purpose of storage is to protect the quality and package integrity of supplies as well as to ensure overall product safety, while at the same time making them available for use. In general, supplies should be protected from sun, heat and water. **Page 77: Conducting a Physical Inventory/Stock Taking** A Physical Inventory or Stock Taking is a count of the quantity of each supply in a facility and is one of the most frequent activities in storerooms, dispensaries, health centers, and hospitals. Because the supplies are actually counted, the inventory information comes from two locations: the quantities on the shelf in the storeroom and from the quantities kept by those dispensing Health Commodities in the facility. **Page 99: Supervision of the Integrated Logistics System** This section of the Manual generally refers to Supervision of PHUs by the District Pharmacy Team, DHMT and Central-Level Supervision of DMS and Hospitals.

2 DESCRIPTION OF THE AUDIT AREA

2.1 Regulatory Framework

Sierra Leone has a range of legislations and policies in place to regulate the fight against corruption and the distribution of drugs and medical supplies/system. These include the following:

The Anti-Corruption Act, 2000

This provides all the relevant information about the work of the ACC, its powers and operational values.

Stores Operational Procedures Manual

This provides details about logistics and commodity management supporting the free healthcare initiative for target populations as well as the cost recovery initiative taking into account the local needs and situations, such decentralization etc.

Public Financial Management Act 2016

This provides regulations for the efficient, effective and transparent management of stores.

United Nation Conventions against Corruption (UNCAC)

This is a multilateral treaty negotiated by member states of the United Nations (UN) and promoted by the UN Office on Drugs and Crime (UNODC). It is one of several legally binding international anti-corruption agreements.

2.2 The Vision, Mission, Values and Functions of the Anti-Corruption Commission

The ACC was established by the Government of Sierra Leone with the promulgation of the Anti-Corruption Act 2000, which was amended and repealed in 2008. It was set up primarily for the prevention, investigation and prosecution of corrupt practices and to educate the public about the evils of corruption.

2.2.1 Vision

"A corrupt free Sierra Leone which will ensure that the socio-economic needs of its citizens are met".

2.2.2 Mission

"Leading the fight against corruption through public education, prevention, enforcement and compliance for the benefit of all citizens".

2.2.3 Values

Integrity, Professionalism, Coalition building and Partnership.

2.2.4 Functions of Anti-Corruption Commission

Section 7 of the Anti-Corruption Act 2008 states the functions of the Commission. These functions include the following:

- to take all steps as may be necessary for the prevention, eradication or suppression of corruption and corrupt practices;
- to investigate instances of alleged or suspected corruption referred to it by any person or authority or which has come to its attention, whether by complaint or otherwise;
- to investigate any matter that, in the opinion of the Commission, raises suspicion that any of the following has occurred or is about to occur-
  - conduct constituting corruption or an economic or related offence;
  - conduct liable to allow, encourage or cause conduct constituting corruption or an economic or related offence; and
  - to prosecute all offences committed under this Act.

Protection for Whistle Blowers

A Whistle Blower is a person who discloses to the Commission that a public officer, body corporate or public body is or has been involved in any act constituting an offence at the time he makes the disclosure; and believes on reasonable grounds that the information he discloses may be true and is of such a nature as to warrant an investigation under this Act. It is expected that the commission to whom a disclosure is made shall not, without the consent of the person making the disclosure, divulge the identity of that person except where it is necessary to ensure that the matters to which the information relates are properly investigated.

The ACC's act provides protection for Whistle Blowers by stating that a person who commits an act of victimization commits an offence and shall on conviction be liable to a fine not less than five million Leones or to imprisonment for a term not less than one year or to both such fine and imprisonment.

Asset Declaration System

The Asset Declaration system was created by the 2008 Anti-Corruption Act and requires all public officials to declare their assets in a confidential manner to the Commission. Section 119 of the Anti-Corruption Act 2008 establishes who, when, and what manner that public officers should declare their assets. It requires the following:

- Every public officer shall within three months of becoming a public officer deposit with the Commission a sworn declaration of his income, assets and liabilities and thereafter not later than 31st March in each succeeding year that he is a public officer, he shall deposit further declarations of his income, assets and liabilities and also while leaving office.
- In the case of every person who ceases to be a public officer, at any time after the commencement of this Act, on the first anniversary of the date on which he ceases to be a public officer, he shall file in respect of his assets, income and liabilities, covering the period from the date of his last declaration to the date on which he is required by this paragraph to furnish a declaration.

- A declaration required under this part shall include such particulars as are known to the declarant of the assets, income and liabilities of himself, of his spouse and of his children: Provided that-

  (a) if the spouse was not ordinarily living with the declarant for a continuous period of two years during the period in relation to which the declaration is made;

  (b) if a child of the declarant was not ordinarily living with the declarant at any time during the period in relation to which the declaration is made, the particulars required to be furnished by this subsection shall be limited to assets held by the spouse or child (as the case may be) in trust for, or as agent of the declarant, so, however, that nothing in this subsection shall be construed as precluding the Commission from requiring from a declarant any additional particulars the Commission may think fit.

- Where a public officer who is required to furnish a declaration fails to do so in accordance with this section or without reasonable cause, fails to furnish details in accordance with the prescribed form, the Commission shall publish such fact in the Gazette and in at least two daily newspapers published in Sierra Leone or broadcast such fact on a radio station in the locality of such public officer's last known place of residence.

- The Commission may at any time after publication in the Gazette pursuant to subsection (6), make an ex parte application to the Court for an order directing such person to comply with the Act and the Court may, in addition to making such order, impose such conditions as it thinks fit.

Section 120 (1&2) of the Anti-Corruption Act 2008 clearly provide the steps and procedures on how asset declaration should be examined:

- The Commission shall examine every declaration furnished to it and may request from the declarant any information or explanation relevant to a declaration made by him, which in its opinion, would assist in its examination.

- Where upon an examination, the Commission is satisfied that a declaration has been fully made, it shall publish or cause to be published a certificate in the Gazette in the form prescribed by the Commission.

- Where the Commission publishes or causes to be published a certificate, any person may make a written complaint to the Commission in relation to that certificate.

The Commission has created an online or electronic platform for the submission of assets declaration forms.

Prosecution

One of the functions of the ACC as specified in section (7d) of its act is to prosecute all offences committed under this Act. The procedures for prosecution of offences are stated in section 89 of the Anti-Corruption Act 2008 as follows:

- Where the Commissioner is of the opinion that the findings of the Commission on any investigation warrant a prosecution under this Act, he shall do so in the Court.

- An indictment relating to an offence under this Act, shall be preferred without any previous committal for trial, and it shall in all respects be deemed to have been preferred pursuant to a consent in writing by a judge granted under Act No. 32 subsection (1) of section 136 of the Criminal Procedure Act, 1965 of 1965 and shall be proceeded with accordingly.

- On a trial on indictment preferred under this section, an extract of the findings of the Commission, signed by the Commissioner, to the effect that a particular person is, or particular persons are implicated in any offence under this Act shall, without more, be sufficient authority for preferring that indictment in respect of such offence as is disclosed in or based on the report of those findings.

- An indictment preferred under this section shall be filed and served on the accused together with the summary of the evidence of the witnesses, which the Commission relies on for the proof of the charge contained in that indictment, and the names of such witnesses shall be listed on the back of the indictment.

- The Commission may, upon giving to the Registrar of the Court and to the accused, a notice of its intention to do so together with a summary of the evidence to be given by that witness, additional witness any person not listed on the back of the indictment who may give necessary or material evidence at the trial of any indictment under this section, whether or not that person gave any evidence during an investigation by the Commission.

- The trial of any offence under this Act shall have priority of hearing in the Court over any other indictment except an indictment for treason, murder or other capital offence.

Unlimited Time for Investigation and Prosecution

The ACC enjoys the privilege of investigating and prosecuting cases without any time limit. There is no internal policy or within its Acts, that gives limits of time in handling cases. This has created advantage to the Commission to deal with cases for as long as they reached its desired objective.

National Anti-Corruption Strategy

The National Anti-Corruption Strategy (NACS) 2014-2018 is the national roadmap in the fight against corruption that highlights key corruption issues in all MDAs. The strategy outlines system weaknesses and proffers measures and workable proposed actions to address the weaknesses within timelines, albeit within the five years span of the strategy. Its measures are mandatory and are clearly outlined in the NACS Implementation Work plan.

The strategy is a multi-pronged approach to tackle corruption. It provides concrete steps and actions to be taken in order to progressively eliminate corruption. The benefits that NACS bring are:

(i) to ensure a shared understanding of the causes and impacts of corruption;
(ii) to put together various measures as a coherent strategy, creating a route to implementation;
(iii) to propel the long road to effective public financial management; and
(iv) to facilitate political accountability, transparency, good governance, effective service delivery and the rule of law. This is a comprehensive-balanced strategy with focusing on prevention, enforcement and suppression.

NACS is designed for the implementation of MDAs action plans. The action plan indicates the type of measure, which in turn determines who implements it. Each MDA undertakes its own specific "institutional strengthening", implementing measures specified in the implementation plan. In addition, all MDAs are expected to implement a range of systemic "institutional anti-corruption measures", tailored to their own institutions, as set out in the strategy and implementation action plan. These measures include adoption and monitoring of codes of conduct, asset declaration/monitoring, complaint-redressed systems, and engineering out opportunities for corruption by business process re-engineering.

Pay No Bribe Platform

The Pay No Bribe is an anonymous reporting platform where bribery and corruption cases can be reported. PNB is designed to collect real time evidence on bribery and corruption in five key service sectors namely, Education, Electricity, Health, Police, Water and Sanitation. It also provides a useful database on petty corruption and bribery trends to support the work of the ACC. In keeping with the government's commitment to tackle petty corruption and bribery in key service areas, the ACC will share data on corruption trends with relevant MDAs, which they in turn will use to address corruption at source, through administrative or system reforms.

2.2.5 Resource/Funding Allocation

The Government of Sierra Leone and international organisations such as DFID, ADB etc fund the Commission. The table below shows the amount of funds received by the ACC from both the government and donors for 2014, 2015, 2016 and 2017 financial years.

Year	GoSL (Le)	Donor (Le)
2014	25,169,913,000	471,716,000
2015	31,564,274,000	508,281,000
2016	32,793,344,000	2,418,153,000
2017	31,322,023,000	1,707,993,000
Total	**120,849,554,000**	**5,106,143,000**

Source: ACC's Financial Statements

2.3 The Vision, Mission, Values and Functions of the Ministry of Health and Sanitation

2.3.1 Vision

To deliberately build progressive, responsive and sustainable technologically driven, evidence-based and client-centered health system for accelerated attainment of the highest standard of health to all Sierra Leoneans.

2.3.2 Mission

To contribute to the socio-economic development by promoting and ensuring quality health for the Sierra Leone population.

2.3.3 Functions of MoHS in the Distribution of Drugs and Medical Supplies

The CMS of the Ministry of Health & Sanitation (MoHS) believes that access to sound health is a human right. Its vision is to ensure a functional national health system, delivering efficient, high quality health care services that are accessible, equitable and affordable for everybody in Sierra Leone and the overall goal is to maintain and improve the health of its citizens.

One of its core functions is to ensure that quality and sufficient drugs are readily accessible in all referral hospitals, District Medical Health Centers (DMHCs) and Peripheral Health Units (PHUs). The distribution of drugs and medical supplies is being pioneered by the CMS. The processes and procedures to ensure that distribution of drugs is efficient are as follows:

Inventory Management

When healthcare commodities arrive into the country, they are cleared from the ports and sent to the storage facilities. These commodities are stored in the CMS for routine distribution to the District Medical Stores, District Tertiary and Secondary Hospitals and thereafter to the Peripherals Hospital Units. Inventory management at all levels includes two main activities: monitoring the quantities of stock at hand and monitoring the quality of products.

Monitoring the quantities of usable stock at hand helps to ensure that stock records are kept up to-date. It also helps to maintain the quantities of stock at hand between the maximum and re-order levels.

Movement of Commodities

At the national level, health commodities procured are stored at the CMS, and a PUSH System of distribution applies in the supply at all levels. The commodities are then supplied by the CMS to the districts and thereafter to the PHUs by a PULL System of distribution, i.e. requisition for commodities is made from lower levels to higher levels on periodic basis. The District medical stores, tertiary and secondary hospitals receive quarterly supplies from the CMS upon submission of quarterly reports. The PHUs thereafter receive monthly supplies from the DMS, upon submission of monthly reports. The key features of the healthcare commodities supply chain (within central, district and PHUs) in Sierra Leone are summarised below:

- **Central level**

  The CMS plays a key role in supplying commodities to the districts through the DMS to the PHUs. In this role, the CMS ensures that commodities are available and properly stored. The CMS receives the Report, Request and Issue Vouchers (RR&IV) for healthcare commodities from the district level with the report and requisition sections of the forms completed. It further verifies the request from the districts, by using consumption data and stock at hand obtained from the reports to determine the issue of quantities for the DMS and the hospitals. It also sets the schedules for commodity deliveries and related activities and facilitates the distribution based on the schedules.

- **District Medical Stores**

  The District level provides support to the PHUs through monitoring and supervision activities. They assist the PHUs in cases of discrepancies or problems with received commodities. The DMS reviews the requisitions from the PHUs and issues the healthcare commodities according to the completed RR&IVs. Information from the reports submitted by the PHUs is aggregated into the computerised inventory management tool. This information is used to complete the report and requisition section of the RR&IV for the district. It is then submitted to the central level. Inventory control cards and stock cards are maintained for healthcare commodities.

- **Tertiary and Secondary District Hospitals**

  The hospitals submit the RR&IV for healthcare commodities (with completed reports and requisition sections) to the central level on a quarterly basis for the resupply of healthcare commodities. Issued quantities are calculated by the hospitals and verified at the central level and inventory control cards and stock cards are maintained for all healthcare commodities.

- **Peripheral Health Units (PHUs)**

  The PHUs submit their RR&IV for healthcare commodities to the DMS with both the report and request sections completed. On the approval of the request by the DMO, the order is supplied by the DMS. The RR&IV for healthcare commodities are submitted on a monthly basis to the DMS and these are collated and sent to the central level. Inventory control cards are maintained for the healthcare commodities as well as dispensing records.

- **Storage of Drugs and Medical Supplies**

  Storage is the safekeeping of medicines and related supplies to avoid spoilage and theft. Medicines and Medical Supplies are expensive; they should therefore be stored under the correct combination of temperature and security. Poor storage conditions will affect the quality of the supplies being stored. For example, if stores are too hot, stacks of cartons too high and lighting system very poor. These instances may cause damage to medical supplies and wastage but, a well-organized and conducive storeroom will facilitate work and time will not be wasted trying to find needed supplies.

- **Conducting a Physical Inventory/ Stock Taking**

  A Physical Inventory or Stock Taking is a count of the quantity of each supply in a facility and is one of the most frequent activities in storerooms, dispensaries, health centers, and hospitals. Because the supplies are actually counted, the inventory information comes from two locations: the quantities on the shelf in the storeroom and from the quantities kept by those dispensing health commodities in the facility. Quantities on the shelf in the storeroom could be taken from Inventory Control Cards or Stock Cards. During a physical count, the quantity on the shelf should be compared to the quantity recorded on the cards. If the quantity on the cards does not match the quantity on the shelf, the card should be updated and an adjustment entered. Since the storeroom should contain whole bottles of each supply, a physical count can be completed quickly.

- **Disposal of Unusable Health Commodities**

  All unusable health supplies should be separate from other stock and should not be included in the physical count. These supplies should be returned to the place where supplies are received and the reporting form for returns/ claims should be completed and submitted with the products. The tertiary and secondary hospitals would return all unusable health commodities to the CMS. The DMS is responsible for returning all products from the DMS and PHUs to the CMS. The CMS will send all returned products from the districts as well as its own unusable commodities to the Pharmacy Board for disposal, according to the MoHS Medicine Supply Management and Rational Use.

Supervision and Monitoring

Two of the most important responsibilities logistics personnel carry out are monitoring and supervision. Monitoring and supervision are the backbone of an effective Integrated Logistics System. There are several reasons why logistics activities are monitored and personnel supervised on a regular basis:

- to ensure that all records are correctly maintained and reports submitted in a timely manner;
- to ensure that planned logistics activities are being carried out according to schedule;
- to ensure that clients are getting the health supplies when they need them;
- to ensure that established logistics guidelines and procedures are being followed;
- to identify performance weaknesses and to improve performance by providing immediate on the-job training as needed;
- to ensure they have the knowledge and skills they need to effectively manage the Integrated Logistics System.

2.4 Roles and Responsibilities of Stakeholders

International Development Partners

Several donor agencies, such as the World Health Organisation, UNICEF, UNFPA, and the United Kingdom Department for International Development (DFID) are involved in financing the purchase and distribution of drugs and medical supplies and other capacity building projects.

Local Non-Governmental Organisations

Several Local Non-Governmental Organisations such as Health Alert, Centre for Accountability and the rule of Law, etc. monitor the delivery and distribution of drugs and medical supplies at the MoHS.

2.5 Resource/ Funding Allocation

The Government of Sierra Leone and development partners such as Global Fund, World Bank, Islamic Development Bank etc. mainly fund the MoHS. The table below shows the amount of funds received by MoHS from both the government and development partners for the financial years 2014, 2015, 2016 and 2017.

Year	GoSL (Le)	Donor ($)
2014	7,607,809,014	-
2015	59,671,745,371	-
2016	37,770,875,022	14,231,566
2017	86,537,340,548	19,673,059
Total	**191,587,769,955**	**33,904,625**

Source: Expense Analysis Reports from the Accountant General's Department & IHPAU

3. FINDINGS – ANTI-CORRUPTION COMMISSION

3.1 Implementation of the Conventions on Private Sector

Article 12 of the UNCAC requires each state party to adopt legislative and other measures concerning private sector activities on corruption. Similarly, Articles 10 and 11 of the AUCPCC require each state party to adopt legislative and other measures concerning private sector activities on corruption.

In reaction to the provisions contained in these conventions, there are no specific laws or regulations within the ACC's act indicting incidences of corrupt activities within the private sector. Concerning the handling of private sector corruption cases, private officials/institutions seek redress personally and directly to the judiciary court system.

A review of the implementation of the UNCAC fifth, sixth and seventh sessions on the ACC revealed recommendations that the commission should consider, in addressing private sector corruption. Corruption is a national security threat and the private sector is not an exception. The exclusion of the private sector from the ACC's laws may consent corrupt activities committed by the private sector to go unpunished.

Recommendations

The Anti-Corruption Commissioner should adopt legislative and other measures concerning private sector activities on corruption in accordance with Article 12 of the UNCAC.

Management Response

The commission welcomes the recommendation for a private sector anti-corruption law in 3.1 and will seek to achieve the promulgation of that law in the medium to long term. However, the enactment of such a law goes with adequate institutional capacity to handle the caseload and other related matters. Although it is the ideal, yet it may not be expedient with the limited capacity and resources at the Commission's disposal.

Auditor's Comment

Management comment is noted. This issue will be kept in view.

3.2 Protection for Reported Whistle-blowers

Article 33 of the UNCAC states: "Each State Party shall consider incorporating into its domestic legal system appropriate measures to **provide protection against any unjustified treatment** for any person who reports in good faith and on reasonable grounds to the competent authorities any facts concerning offences established in accordance with this Convention".

Protection of witnesses, related persons or victims is provided for in sections 82 and 83 of the ACA, 2008. The offences for which protection is offered include all offences under the ACA, 2008 namely the protection of the identity and protection from criminal and civil liability. However, there were no measures in the ACA, 2008 that prevented unjustified treatment for whistle-blowers by accused persons (practicalisation of protection for whistle blowers). Protection for whistle blowers'

is essential to encourage reporting in good faith of any misconduct, fraud and corruption. Therefore, if no protection is given, the reluctance of the public/citizens to come out willingly to report corrupt related offences would continue.

Recommendations

The Anti- Corruption Commissioner should incorporate measures in the ACA, 2008 that will prevent unjustified treatment for whistle blowers. This will encourage willingness from the public to report corrupt related offences.

Management Response

On the protection for reported whistle-blowers in 3.2, the Commission takes note of your recommendation to provide protection against any unjustified treatment. However, please note that there are adequate provisions in the Anti-Corruption Act 2008 for the protection of Whistle-blowers against unjustified treatment in Section 82 (2) with the punishment for persons who commit an act of victimization against whistle-blowers. There are other provisions in the act that deals with witness protection (see section 81 & 83) of the Anti-Corruption Act 2008.

What may be evident is that victims have not been taking advantage of provision in the Act to seek redress. There is also need for a regulation, pursuant to section 140 of the Act, to apply uniform administrative sanction against defaulters.

Auditor's Comment

We noted your response and implore you to have the necessary regulation that will guide and inform whistle blowers in an event they feel insecure.

3.3 Enforcement of the Anti-Corruption Act in respect of Asset Declarations

The ACC is responsible for making enquiries as it considers necessary in order to verify or determine the accuracy of the declarations of assets filed under section 7(2e) of its Act. Furthermore, section 122 (a-f) outline offences in relation to asset declaration and state that any public officer who breaches these provisions commits an offence and shall be liable on conviction to a fine not less than twenty million Leones or imprisonment for a term not less than one year or both fine and imprisonment.

Our analysis for the period 2014 to 2017 revealed an average of approximately 44% compliance rate in the submission of asset declarations by public officers. However, there was no evidence to indicate that penalties were levied on public officers for non-compliance. The ACC's failure to penalize those officers in accordance with its Act may have contributed to the low compliance rate. Table 3 shows an analysis of compliance rate on the declaration of assets by public officers for the period 2014 to 2017.

Table 3 – Analysis of Declaration of Asset Submissions

Year	Forms			Percentage	
	Printed and Distributed	Returned	Not Returned	Asset Declared (%)	Not Declared (%)
2014	55,000	26,050	28,950	47.36	52.64
2015	57,000	19,757	37,243	34.66	65.34
2016	54,000	35,235	18,765	65.25	34.75
2017	45,000	12,647	32,353	28.10	71.90
Total	**211,000**	**93,689**	**117,311**		
Average	**52,750**	**23,422**	**29,328**	**43.84**	**56.16**

Source: ACC Annual Report

A review of ACC's files revealed that there has been no evidence of analysis or investigations in relation to asset declarations since the ACC's Act was enacted in 2008; contrary to one of the functions of the Commission, which is to verify or determine the accuracy of the declarations submitted. According to the Commissioner, the reasons why assets declarations were not analysed and investigated were because of competing priorities and the absence of an organised panel to effectively investigate issues relating to asset declarations.

The need for analysis and investigations will form the basis for identifying public officials with unexplained wealth, which may have been derived from the proceeds of corruption. Non-implementation of the Acts regarding analysing and investigation of asset declarations by ACC may also hinder transparency and foster illicit enrichment from public funds.

Recommendation

The Commissioner should ensure the analysis of asset declarations and devise a strategy that will target the verification of declared assets of high-risk personnel considering the volume of the declaration returns. He should also enforce provisions of the Act in relation to asset declarations and levy appropriate sanctions towards non-declarants. He should further devise a strategy that will hold MDAs accountable for the submission of asset declaration to the Commission.

Management Response

On the aspect of Asset declaration as contained in recommendation 3.3, we wholeheartedly agree with your recommendation for the verification of asset declarations and the institutionalization of a compliance regime. Steps have already been taken in that direction and a draft regulation with a draft bill in the amendment of the AC Act 2008 now sent to Parliament for approval. The draft bill and regulation seeks to enhance the efficacy of the asset declaration regime especially with respect to verification of declarations and compliance.

Auditor's Comment

Management comment is noted. This issue will be kept in view.

3.4 Completion Rate of Cases

Section 7(e) of the ACC Act 2008 states that the function of the Commission is to prosecute all offences committed under this Act. It also states in section 89 (1) that if the Commissioner is of the opinion that the findings of the Commission on any investigation warrant a prosecution under that Act, he shall do so in the Court.

A review of ACC's annual reports for the calendar years 2014 to 2017 and interviews with key management personnel confirmed that there were over 16 indicted cases pending in the Court of Appeal and 32 in the High Court. Of these cases, an average of 13.2% was completed during the period 2014 to 2017. The low completion rate and the even lower conviction rate serves to undermine corruption prevention efforts and fosters corruption. This is illustrated in the table below.

Table 2: Analysis of Completed Cases by ACC (2014-2017)

Year	Court	Cases brought forward	New cases	Total cases	Completed cases			
					Conviction (C)	Acquittals (A)	Total (C +A)	%
2014	High	21	12	33	5	0	5	
	Appeal	18	1	19	1	0	1	
Sub-total		**39**	**13**	**52**	**6**	**0**	**6**	**11.5**
2015	High	28	11	39	1	1	2	
	Appeal	18	0	18	0	2	2	
Sub-total		**46**	**11**	**57**	**1**	**3**	**4**	**7**
2016	High	37	18	55	9	2	11	
	Appeal	16	0	16	0	0	0	
Sub-total		**53**	**18**	**71**	**9**	**2**	**11**	**15.5**
2017	High	35	8	43	10	1	11	
	Appeal	16	0	16	0	0	0	
Sub-total		**51**	**8**	**59**	**10**	**1**	**11**	**18.6**
Average percentage (%) completion rate (2014- 2017)								**13.2**

Source: Auditor's Analysis and ACC's Annual Report 2014- 2017

The limited number of completed cases was attributed to the following reasons:

(i) there were only eight staff in the prosecution department with a need for four more as mentioned in the ACC manpower budget 2018;

(ii) limited textbooks and case reference materials on intelligence, investigation and prosecution as stated in the ACC's 2016 annual report; and

(iii) limited cooperation from the judiciary as indicated in an interview with the Director of Prosecution.

Recommendation

The Director of Prosecution should consider undertaking a comprehensive review of the ACCs operations to identify impediments to pending cases and devise a strategy to improve its performance in executing its mandate. This may involve the consideration of capacity development initiatives.

Management Response

No response issued by the ACC

Auditor's Comment

Responses were not obtained for the audit findings; the issue therefore remain unresolved.

3.5 Timeframe for Long Outstanding Cases

Article 29 of the UNCAC states that each State Party shall, where appropriate, establish under its domestic laws a long statute of limitations period in which to commence proceedings for any offence established in accordance with this convention. It should also establish a longer statute of limitations period or provide for the suspension of the statute of limitations where the alleged offender has evaded the administration of justice. UNCAC recommended for longer statute of limitations period to deter corrupt offences from going unpunished.

A review of the ACC's processes and procedures revealed that the ACC's act of 2008 did not make provision for maximum timeframe for which legal proceedings may be initiated. This challenge may have resulted in the ACC having 18 pending cases in the appeal court that were brought over since 2013.
Interviews with the Director of Investigation revealed that timeframes are being provided for within their internal operational procedures. However, the review group of the UNCAC mentioned the absence of this section within the laws of the ACC.

Recommendation

The Commissioner should include statute of limitations in the ACC's laws to ensure speedy trials of all corrupt matters brought to both the high court and appeal court. The inclusion of statute of limitations in the laws will also fast track the investigation of long outstanding matters with the Commission, and prevents accused/guilty persons going unpunished.

Management Response

The Commission also notes the recommendation in 3.5 for the inclusion of statute of limitation for all corruption cases in the Anti-Corruption Act 2008. While this may be useful for some jurisdiction where there is a shorter period in their statute of limitation, yet the present state of affairs in Sierra Leone where there is no limitation gives us the latitude to consider cases for as long as it takes. This is consistent with the spirit of the UNCAC that seeks a longer period of statute of limitation.

Auditor's Comment

Management response is noted.

3.6 National Anti-Corruption Strategy

Section (5c) (1) of the ACA 2008, states that "the Commissioner, as head of the Commission is responsible for coordinating the implementation of the National Anti-Corruption Strategy".

Section 130 (1) and (2) of the ACA 2008, states: (i) "a person who fails to comply with any requirement under this act for which no offence is specifically created commits an offence and shall be liable on conviction to a fine not less than five million Leones"; and (2) "any person who commits an offence for which no penalty is provided shall be liable on conviction to a fine not less than thirty million Leones or to imprisonment for a term not less than three years or to both such fine and imprisonment".

The National Anti-Corruption Strategy (NACS) 2014-2018 is the national roadmap in the fight against corruption that highlights key corruption issues in all MDAs. The strategy outlines system weaknesses and proffers measures, workable proposed actions to address the weaknesses within timelines, albeit within the five years span of the strategy. Its measures are mandatory and are clearly outlined in the NACS Implementation Work plan.

The activities under the NACS include setting up the Integrity Management Committee (IMC) in MDAs to help in the fight against corruption. The ACC in consultation with MDAs established IMCs in MDAs in 2013. The role of the IMC is to monitor the execution of the NACS work plan and other related issues towards the fight against corruption. The strategy also covers the enforcement of the integrity pact and integrity pledge, Pay No Bribe campaign, Media engagement and engagement with the Institutional Network against Fraud and Corruption.

However, investigations revealed that 16% (10 out of the 63 MDAs) of highly budgeted MDAs did not respond to the proposed measures stated in the 2014/15 NACS Compliance Monitoring report released in December 2015. We also observed that the ACC did not levy penalties on the MDAs that failed to comply with NACS recommendations and action plans. This encourages corrupt practices in MDAs. **"Appendix 3"** shows the list of MDAs and their identified weaknesses and proposed measures.

Recommendation

The Commissioner should put a mechanism in place to effectively manage the process of implementing the NACS recommendations and action plans. In addition, the Commission should ensure that penalties are levied on all the MDAs that fail to respond to the NACS proposed measures and action plans in accordance with sections 130 (1) and (2) This will help to enhance the prevention and fight against corruption within MDAs

Management Response

The issue of penalties for non-compliance on the Commission recommendations in the NACS to MDA, as articulated in recommendation 3.6 has also been considered. We wish to state that there is

provision for compliance sanction in section (8) of the Anti-Corruption Act 2008. What may be lacking is the absence of a regulation for an effective application of a sanction regime.

Auditor's Comment

We noted your response and implore you to have the necessary regulation that will guide and strengthen the penalties or sanctions relating to non-compliance with the Commission's recommendations in the NACS.

4. FINDINGS – MINISTRY OF HEALTH AND SANITATION

4.1 Receipt and Issue of Drugs and Medical Supplies

Section 58 of the Public Financial Management Act, 2016 states that the Minister shall by statutory instrument, prescribe regulations governing the acquisition, receipt, issue, custody and control of government stores.

Page 20 of the SOPs manual for the distribution of drugs and medical supplies require staff at central, district and hospital levels to input all commodities received or dispensed into an electronic logistics management information system. Page 53 of the same Manual states: "This RR&IV serves as the issuing voucher and therefore whoever issues health commodities at any level of the system must complete the form". Page 55 prescribes the method of receipt and issue of drugs and medical supplies.

A review of store documents (i.e. delivery notes, invoices stock cards etc.), and physical inspections of the CMS and other stores at Kingtom, Ferry Junction, and Wellington revealed control weaknesses in the receipt and distribution of drugs and medical supplies as follows:

a) The prescribed Receipt/Issue Voucher as stated in the SOPs manual was not used for the receipt of procured and donated drugs and medical supplies. We noted that, a distribution list developed by MoHS was been used with no evidence of vital information as prescribed in Annex B of the SOPs manual. We could also not ascertain whether all the drugs and medical supplies received/issued were accurate and complete for the period under review.

b) It was noted from the review of waybills and delivery notes from donors, that drugs and medical supplies were delivered in the absence of the Receiving Bay Officer and other designated personnel/Internal audit; contrary to page 55 of the SOPs manual. This was also confirmed during a physical verification exercise at the Kingtom store on 7th February 2018.

c) There was no evidence to indicate that stocktaking was carried out at the CMS and its subsidiaries. This may have created room for the misappropriation of drugs and medical supplies.

d) There were no labourers at the CMS and its subsidiaries to help with the receipt and distribution of drugs and medical supplies. Physical verification of the stores revealed that volunteers who assisted in the stores were not given incentives. This may have exposed store items to pilferage.

e) Donations were made through the store at Kingtom without the prior knowledge of the Channel Systems Operator. As a result, most of the drugs in the store were not accounted for in the System due to poor coordination between the Store Manager and the Channel Systems Operator. The risk that those drugs were converted into personal use cannot be overlooked.

The above control weaknesses create room for the perpetration of fraud as drugs and medical supplies could be stolen and sold outside the medical centers, stores, and government hospitals, thereby depriving the intended beneficiaries.

Recommendation

The Director of Drugs and Medical Supplies and Stores Manager at the CMS should put measures in place to ensure the following:

- The prescribed receipt and issue forms as stated in the SOPs manual should be used in the receipt and issue of drugs, medical supplies and other store items.
- The Receiving Bay Officer should witness every receipt of stores items.
- Stocktaking should be carried out regularly in all stores and medical centers as prescribed by the SOPs manual, and the records (reports and other documents) filed accordingly.
- Store Assistants should be deployed in the various stores to help in the receipt and distribution of drugs and medical supplies.
- The Channel Operator should be regularly updated with information on the receipt of all drugs and medical supplies at the CMS and its subsidiaries.

Management Response

The reference document; that is, the Standard Operating Procedure Manual for the Integrated Management of Health Commodities from Stores to Service Delivery Points is currently not in use at the Central Medical Sores due to the introduction of the electronic Logistics Management Information System which enables the Directorate of Drugs and Medical Supplies (DDMS) to manage the receiving and issuing of drugs and medical supplies in a more effective and transparent manner. However, the RR&IV are used at Peripheral Health Units and some hospitals (See sample of RR&IV filled at Rokupa Government Hospital and Kingharman Road Government Hospital).

The Directorate of Drugs and Medical Supplies (DDMS) have secured funds from Global Health Supply Chain Program (GHSC) funded by USAID for the review, printing, and dissemination of the SOP.

The MoHS have functional electronic Logistics Management Information System (eLMIS) software used to record transactions of health commodities at the Central and District Medical Stores. However, a significant proportion of Hospital Medical Stores do not yet have functional electronic Logistics management information System partly because these facilities do not have computer and accessories and staff have not yet been trained on the use of the new web-based LMIS software (mSupply).

The DDMS began using the mSupply in 2018. mSupply as at now has been rolled out to all Central Medical Stores and also rolled out to four (4) District Medical Stores (DMS); namely: Bo, Kenema, Port Loko, and Bombali District Medical Stores, and two (2) District Hospital Medical Stores (DHMS) (Bo, Kenema Government Hospitals). Plans are under way to continue the rollout of mSupply to the remaining DMS and HMS including all government hospital stores in Western Area Hospitals.

(a) Due to the introduction of the stock management software (i.e. CHANNEL and now mSupply) which is an efficient stock management tool (i.e. tracks transactions of receipt and issue of supplies), the use of RR&IV at the Central Medical Stores was no longer needed. At DDMS the

shipping documents (i.e. Bill of laden, packing list, supplier's delivery waybill) are used to match the actual quantities of supplies received against what's written in the packing list before inputting into the software program. The receipt of procured or donated health supplies is done in the presence of the supplier/representative. Upon completion of the receipt process, both the Receiving Bay officer or assigned staff, store In-charge and the supplier/representative will initial the stock transfer form prepared by Receiving Bay Officer and in the case of UN Agencies, prepared by UN Agency representative.

Due to the long procurement lead time, availability of most essential health commodities and optimizing distribution cost, DDMS and partners have embarked on quarterly mass distribution from Central Medical Store (CMS) to DMS and HMS, using the "Informed Push" method of distribution – wherein prior to any mass distribution, an allocation matrix template is sent to all supply chain teams in the districts and hospitals. This allocation matrix has the names of health commodities available for distribution, the number of Peripheral Health Units (PHUs) per district, the maximum quantity in terms of months a facility should hold, including a column for quantity consumed and a column for stock on hand (Physical count). A formula is embedded into the available consumption and stock on hand data, the quantity needed will be calculated automatically. This matrix also takes into consideration allocation of commodities based on the level of care for the category of Service Delivery Points. Consumption data and stock on Hand data are determinants for reorder and resupply quantities (See soft copy of the empirical evidence of assumptions, and data used in the preparation of a nationwide distribution matrix).

Some health facilities usually send in emergency requests before or after nationwide distributions, which do not follow the official reorder trend, hence we are now on the verge of developing a Standard Operations Procedure (SOP) manual for reordering health commodities, which will be disseminated to the respective stakeholders.

The distribution of health commodities is done in a very transparent manner. The distribution exercise is not done in silos, but in collaboration with all the supply chain actors (i.e. Civil Society Organizations, UNICEF, SLP, ONS UNFPA, CHAI Community stakeholders, etc.). Assigned DDMS staff and our supply chain partners using informed data from the Service Delivery Points (SDPs) usually prepare the distribution matrix. A draft of the matrix will be projected for review by assigned staff. The final version of the distribution matrix and schedule is sent to the Chief Medical Officer (CMO) for approval. The mSuply Technicians will then use the approved matrix to generate the picking lists. The picking lists are sent to the store in-charges to effect picking and packing of the health commodities. After the pick and pack process, the picking list are sent back to the mSupply Technicians for potential corrections in terms of pack sizes, batch numbers, and the like before the waybill could be generated. The details of the waybill are entered in the waybill-tracking ledger and then dispatched for onward delivery to the DMS and HMS. The trucks used for the distribution are sealed trucks with lock and keys. The trucks are locked with a key after loading and a tamper proof seal is affixed and reminds unbroken until arrival at their final destination.

The Top Management of the Ministry of Health and Sanitation (Including the political heads) usually conducts nationwide sensitization meetings of the Free Health Care Initiative (FHCI) in every district upon arrival of the Free Health Care (FHC) health commodities. The sensitization was done for the last two distributions with the aim of rejuvenating the government's commitment

to support the FHCI program and to stimulate the community to take ownership of the health commodities. These meetings attracted a large proportion of stakeholders. The stakeholder included but not limited to Political Heads, Administrative Heads, Professional Heal od MOHS, Head of Local Councils, Paramount Chiefs, Resident Minister, Community people, beneficiaries of the FHCI, and many more (See copy of the distribution guidance document agreed upon by MoHS, and our supply chain partner, including donors).

(b). The Receiving Bay Officer is responsible for the receipt of all supplies; that is, either procured or donated to the MoHS. Please note that, there is only one Receiving Bay Officer attached to the Central Medical Stores.

MoHS has ten (10) warehouses in four (4) different locations across Freetown. During emergencies and even in ideal situations, supplies were delivered to two or a more different storage location concurrently; hence there is likelihood that the Receiving Bay Officer will not be in all these store locations at the same time.

In the absence of the Receiving Bay Officer, the delivery and receipt of health commodities will be supervised by the Stores Manager or assigned DDMS staff, and/or the Internal Auditor. The completed supplier's delivery documents must have the initials of the supplier/representative, and Receiving Bay Officer, or Stores Manager, or assigned DDMS staff, and/or the Internal Auditor (See copies of supplier's delivery documents with initials of Receiving Bay Officer, Sores Manager, Assigned DDMS staff, Internal Auditor, and Supplier/representative).

DDMS will ensure that documents relating to receipt of supplies are forwarded to the Receiving Bay Officer for his review and initials before the supplies will be imputed into the mSupply software.

(c) We wish to state that stock taking exercises for all central and district stores are conducted routinely and immediately after every nationwide distribution (See copies of stock take reports and snap shots of Inventory Control cards depicting transactions of stock take).

(d) DDMS does not have permanent labourers, yet the we do hire the services of casual labourers to support the loading and offloading of medical supplies as and when needed.

(e) Due to the emergency situation that arose after the mudslide disaster, the Acting Stores Manager who was receiving and issuing supplies at the time found it difficult to immediately conduct physical verification and to prepare the inventory list to be shared with the Receiving Bay Officer and the IT Unit to input into the software program. However, such information was made available to the Receiving Bay Officer and IT Unit on a later date.

A store In-charge has been posted to Kingtom Store, expired and unserviceable items identified during the audit have been destroyed (See copy of destruction certificate), stock take and handing over process completed, and health commodities captured and managed using the web-based software (mSupply).

Auditor's Comment

Management comments noted. We reviewed delivery notes for selected stores at the CMS with signatures of the Receiving Bay Officer but we could not ascertain whether this is done for all the other stores; we could not also ascertain in the absence of the Receiving Bay Officer if other designated staff are present for deliveries. In addition, since management is reviewing the SOP manual we will keep these issues in view.

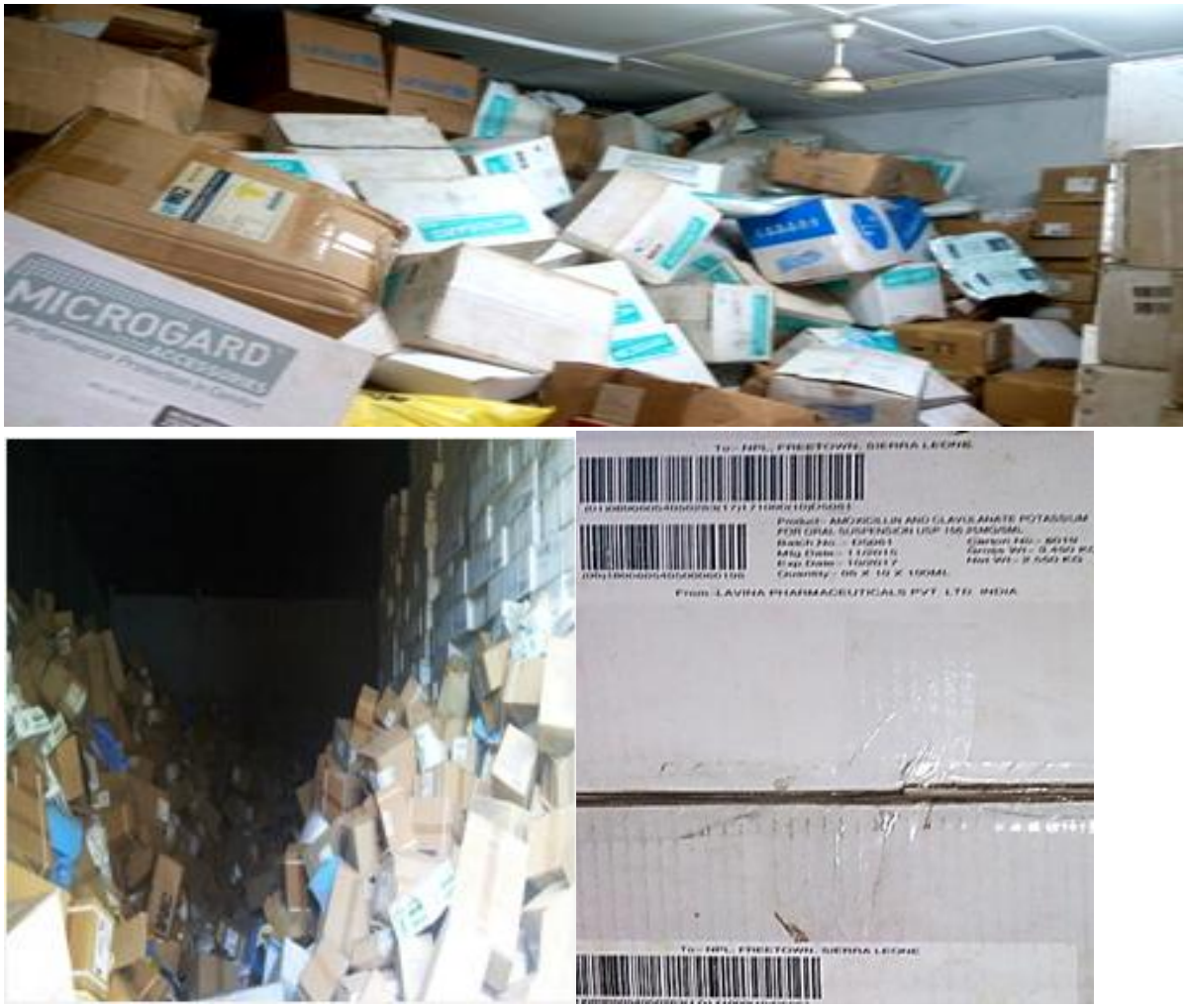
4.2 Storage Space

Page 73 of the SOPs manual requires that the storeroom must be designed to suit the nature of the products, and should be properly organised to ensure easy receipt, storage and distribution of supplies. It further states that the internal organisation of the space in the store must have at least three basic areas corresponding to three functions:

- An area reserved for the receipt of consignments.
- An area reserved for storage.
- An area reserved for dispatch.

We observed from the conduct of physical inspection exercises at the CMS and its subsidiaries that the storage space for drugs and medical supplies at these facilities was inadequate. Some drugs and medical supplies were packed on the store corridors while others were clustered and disorganised due to the limited space. It was also noted that piles of expired drugs that were yet to be disposed, occupied majority of the store space in these medical facilities. This may have exposed drugs and medical supplies to pilferage, wastage, and loss of drugs' potency. It may also have resulted to poor record keeping and reconciliation problems. Below are photos of drugs that were bundled together due to lack of storage space.

Partial view of photo showing the Wellington Store with drugs and medical supplies scattered on the floor due to space constraints. Photo taken on 22nd February 2018



Partial view of photo showing Store 2 at CMS with drugs and medical supplies bundled together due to space constrain. Photo taken on 22nd February 2018

Partial view of photo showing one of the Kingtom stores filled with expired drugs. Photo taken on 13th February 2018

Recommendations

- The Permanent Secretary at the MoHS should ensure the provision of adequate and conducive storage space at the CMS as well as the subsidiary stores within Freetown.

- The Stores Manager at the CMS should ensure that drugs and medical supplies are organised in a manner that will ensure easy receipt, storage and distribution of the commodities. This will prevent drugs from being damaged and wasted. It will also curtail the pilfering of drugs.

Management Response

The MoHS with support from Global Fund is in the process of construction a 3,000 square meters' standard warehouse at Kerry Town (See snap shot of the warehouse construction site at Kerry Town).

It is worthy to bring to your attention that all the centrally located stores have been decongested and organized to fit for purpose. As mentioned earlier, the expired and unserviceable items identified during the audit have been destroyed and documented. Please note that reverse logistics is a component of the supply chain landscape. As a routine process in every drugs and medical supply chain worldwide, drugs and medical supplies are bound to expire, deteriorate, and the like. Hence it is the responsibility of the authorities of DDMS to ensure that medical stores across the country are decongested of expired and unserviceable commodities and reversed accordingly.

Auditor's Comment

Management comments noted. Expired drugs have been destroyed but the stores are still congested. Therefore, the issue is still unresolved

4.3 Equipment for Storage Facilities

Page 74 of the SOPs manual prescribes guidelines in which storage facilities should be organised and the equipment that are required for a conducive storage environment.

Physical inspections carried out at the CMS and its subsidiary stores within Freetown revealed that there were no shelves, lighting, air conditioning facilities, and serviced fire extinguishers in these medical facilities. In addition, store equipment like pallet, fork lifter, etc. were not found within the stores except for Fawaz store at Ferry Junction. In the absence of cooling equipment, these stores may not have maintained their required temperatures, and this in turn may have resulted in drugs and medical supplies losing their potencies within a very short time. The lack of shelves and other equipment (pallet, forklift, etc.) could have made it difficult for storekeepers to maintain organised stores, which could have exposed the drugs and medical supplies to pilferage and misuse.

It was observed from the review of memos and other documents that storekeepers have on many occasions emphasised the need for stores to operate with fire extinguishers and smoke detectors. However, it was evident from our audit that health officials have not adhered to this. The auditors also noted from these documents that a fire incidence were three categories of consignment of drugs at the CMS (store number 3) were destroyed by fire on Friday, March 14th 2014.

Recommendation

The Permanent Secretary (PS) at the MoHS should ensure the provision of well-equipped and conducive stores to protect the quality and standard of drugs and medical supplies. The PS should also ensure that stores are properly organised to facilitate the easy movement of store items and promote accountability and transparency in these medical facilities.

Management Response

The Directorate of Drugs and Medical Supplies had formally requested the services of the Ministry of Health and Sanitation Engineer to assess all the repairs and maintenance needed to carry out in the stores. He has produced a bill of quantities estimated cost for the overhaul of each store including fumigation. The Directorate of Drugs and Medical Supplies (DDMS) is planning to commence the general maintenance of all the stores. The funds secured from the Government of Sierra Leone (GoSL) could not cover the estimated budget cost for the maintenance of all the stores; hence the authorities are prioritizing areas of stores improvement based on the available funds whilst continually engaging partners to provide support to complement government's effort in the maintenance of the stores.

In addition, DDMS with support from the GoSL have secured funds for the procurement and installation of air conditioners in the government-owned central Medical Stores. The Procurement Unit of the MoHS have already initiated the procurement process.

All the stores, with the exception of Kingtom and Wellington Stores have lightening facilities powered by the national power grid and supported by function generators in case of power cuts.

DDMS was having three (3) forklifts, which were faulty but have already been repaired. Also, in 2018, DFID donated three (3) forklifts to DDMS to support warehouse handling. DDMS can now boast of six (6) functional forklifts distributed across the different storage locations.

All the store has pallets, but however due to breakages/damages, DDMS replace them as and when necessary.

However, some of the store is constraint with adequate shelving, procurement, installation and repair of fire extinguishers. The authorities of DDMS are continuously engaging partners to provide support on above.

Auditor's Comment

Management comments are noted. However, the issues remain unresolved

4.4 Recording of Drugs and Medical Supplies on Stock Cards

Page 77 of the SOPs manual outlines the importance and use of stock cards. It states that Inventory Control Cards or Stock Cards should be maintained to ensure that quantities on the shelf in the storeroom are equal to the quantities recorded on the cards.

However, a comparison between the physical count of drugs and medical supplies on the shelves at the CMS (stores 1 and 2) and the Kingtom and Wellington stores, and the quantities of drugs and medical supplies recorded on their respective stock cards revealed inconsistencies. We noted that their respective stock cards carried higher quantities than the physical balances on the shelves. For example, at the Kingtom Store, we counted 11 types of drugs with an aggregate balance of 91,888 units reflected on the stock cards, however we counted 58,627 units, which revealed a shortage of 33,621 units. Details of our analysis are shown in **"Appendix 4"**. This could be attributed to the fact that store items were removed from stores and put into other use without the details been updated on the stock cards. It could also mean that senior health personnel did not monitor and supervise officers during the receipt, issue and recording of drugs and other medical supplies.

However, interviews with the storekeepers on the above issue revealed no substantial reasons for the shortages. The only issue that came up was the fact that there was no assigned storekeeper at the Kingtom store, which could have created the room for drugs and medical supplies to go missing.

Recommendation

- The Permanent Secretary at the MoHS should ensure that assigned Storekeepers are deployed at stores for proper accountability and security of drugs and medical supplies.
- The Stores Manager at the CMS should ensure that the required store forms are used (i.e. filled) for all the receipts and issues made out of stores, and these should be recorded on stock cards as and when necessary. This will help to ease stock reconciliation and enhance accountability and transparency.

Management Response

There is only one staff assigned to each of the central stores. It is humanly not possible for one staff to execute all store functions at the same time in a timely manner. Because of the heavy workload, the Store In-charge on weekends updates all transaction records (i.e. Inventory Control cards/Stock cards). Notwithstanding, the management of CMS will ensure that officers in charge of the respective store update stock cards/inventory control cards immediately when item are received or issued to show a clear stock on hand balance. However, the ideal situation is to have store clerks in all the warehouses whose roles will be centered around updating inventory/stock management tools on a timely manner.

Auditor's Comment

Management comments noted. However, we cannot compromise proper recording and accountability for the receiving and issuing of stores items. Stock cards for store 2 have been updated but the picking lists were not submitted to confirm the records on the stock cards. Stock cards for Kingtom store were not submitted for verification. Therefore, the issues are still unresolved.

4.5 Monitoring and Supervision at CMS and Health Facilities

Page 99 of the SOPs Manual states "Conduct supervisory visits based on objective criteria such as job descriptions, motivation of health workers, techniques, the work plan of a given unit, the objectives of the supervisory visit, and the calendar of visits".

A review of store records revealed that health personnel did not monitor and supervise the process of stock management (i.e. receipts and issues made out of stores), as there was no evidence in that regard. There was also no evidence to indicate that store managers / senior health personnel used the Annex K forms in the SOPs manual (which are essential store-reporting documents) during the process. It was confirmed by storekeepers that only donor partners like Global Fund conducted reviews/monitoring tours on the use of their donated drugs and medical supplies.

Further investigations (i.e. interviews conducted with senior health personnel such as the Permanent Secretary, Support and Services Manager, Director of Drugs and Medical Supplies etc.) revealed that there were no designated personnel responsible for the monitoring and supervision of the CMS and the DMS. Apart from the fact that monitoring and supervision was not done at the medical stores, we could also not find any evidence to indicate that it was done at the hospitals and community health centers as we noted that both expired and unexpired drugs were placed on the same shelves in these medical facilities. The failure to monitor and supervise the activities of store officers and the neglect of the use of the SOPs manual could have created room for corruption in these health facilities.

Recommendation

The Permanent Secretary at the MoHS should ensure that designated officers are assigned to carry out periodic monitoring and supervision on the usage of drugs and medical supplies at the CMS and its health facilities around the Country. The Permanent Secretary should also ensure the effective use of the SOPs manual especially in the area of monitoring and supervision of stores and health facilities as this will help to promote efficient management of drugs and medical supplies in the public health sector.

Management Response

DDMS routinely conduct quarterly monitoring and supportive supervisory activities as and when funding is available based on the following objectives:

a) To assess the availability and stock out of essential medicines and other medical supplies at the health facilities.

b) To analyze consumption patterns at different levels of health facilities to facilitate rational drug budgeting and better procurement planning.

c) To identify the factors that drive both availability and consumption of essential drugs at health facilities.

d) To improve accountability through regular and comprehensive reporting through the use of LMIS tools.

e) To improve efficiency of stock management and storage and in District and Hospital Medical Stores, and peripheral health units.

(See sample of monitoring and supportive supervision reports prepared and shared by DDMS monitors)

The authorities of DDMS will ensure to intensify monitoring and supportive supervision activities at the central warehouses.

Auditor's Comment

Officers should be designated for the effective monitoring and supervision of the movement of drugs and medical supplies at the CMS and Health Facilities. The ministry should not wait for the availability of funds before an effective monitoring and supervision is done. We have reviewed copies of adhoc reports for July and August 2017 and joint monitoring reports in Bo and Bombali sent with our response. We note that it does not cover all the DMS and hospitals countrywide. In addition, evidence of supervision was not seen within the CMS and Health Facilities.

5 CONCLUSION

The ACC is the central institution mandated with the responsibility of fighting Sierra Leone's anti-corruption war. The Commission has made some efforts in the fight against corruption. However, it has struggled to win the fight due to the non-provision of certain laws in its act such as issues relating to adequate protection of whistle blowers, private sector activities on corruption etc. The audit also revealed that the Commission has struggled to mete penalties on public officers, and MDAs who failed to declare their assets, and implement NACS recommendations, respectively. Amongst those MDAs is the Ministry of Health and Sanitation.

A number of control weaknesses, which created room for corruption, were observed at the MoHS. These were related to inefficiencies in the receipt and distribution of drugs and medical supplies, lack of proper monitoring and supervision of the CMS and its subsidiary stores, and poor coordination between the Channel System and the various stores. The lack of the aforementioned has led to weak internal controls in the management of drugs and medical supplies.

The following are specific conclusions based on the audit findings and recommendations:

ANTI-CORRUPTION COMMISSION

- The ACC's laws has not taken into consideration article 12 of the UNCAC which requires each state party to adopt legislative and other measures concerning private sector activities on corruption. In Sierra Leone, the private sector has been interfacing with the public sector in many activities. These activities include but not limited to procurement, recruitment, consultancy, logistics, facilities management etc. The exclusion of the private sector from the ACC's laws may consent corrupt activities committed by the private sector to go unpunished. The ACC should adopt legislative and other measures concerning private sector activities on corruption.

- The unjustified treatment of Whistle-blowers has been a deterrent in the fight against corruption in public offices. Article 33 of the UNCAC requires each state party to consider incorporating into its domestic legal system appropriate measures to provide protection against any unjustified treatment for any person who reports in good faith and on reasonable grounds to the competent authorities any facts concerning offences established in accordance with this convention. Protecting public sector whistle-blowers facilitates the reporting of incidences of passive bribery, as well as the misuse of public funds, wastages, fraud and other forms of corruption. Therefore, if no protection is given, the reluctance of the public/citizens to come out willingly to report corrupt related offences would continue. The Anti- Corruption Commissioner should incorporate measures in the ACA, 2008 that will prevent unjustified treatment for whistle blowers. This will encourage willingness from the public to report corrupt related offences.

- Our analysis for the period 2014 to 2017 revealed an average of 49% compliance rate in the submission of asset declarations by public officers. Section 122 (a-f) of the Anti-Corruption Act, 2008 outline offences in relation to asset declaration and state that any public officer who breaches these provisions commits an offence and shall be liable on conviction to a fine not less than twenty million Leones or imprisonment for a term not less than one year or both fine and imprisonment. However, there was no evidence to indicate that penalties were levied on public officers for non-compliance. The ACC's failure to penalize officers in accordance with

its Act may have contributed to the low compliance rate in asset declarations. We recommend that the ACC should enforce provisions of its Act in relation to asset declarations including levying penalties on non-declarants. In addition, it should devise a strategy that will hold MDAs accountable for the submission of asset declaration to the Commission.

- It was also evident from our audit that there had been no analysis or investigations in relation to asset declarations since the ACC's Act of 2000 was repealed and replaced in 2008; contrary to one of the functions of the Commission, which is to verify or determine the accuracy of the declarations submitted. The need for analysis and investigations will form the basis for identifying public officials with unexplained wealth, which may have been derived from the proceeds of corruption. Non-implementation of the Act regarding analysing and investigation of asset declarations by the ACC may also hinder transparency and foster illicit enrichment from public funds. The ACC should therefore ensure the analysis of asset declarations and devise a strategy that will target the verification of declared assets of high-risk personnel considering the volume of the declaration returns.

- A number of highly budgeted MDAs did not respond to the proposed measures stated in the 2014/15 National Anti-Corruption Strategy (NACS) Compliance Monitoring report released in December 2015. The Ministry of Health and Sanitation is among the key Ministries that failed to implement recommendations of the NACS. The NACS is the national roadmap in the fight against corruption. It highlights key corruption issues in all MDAs. The strategy outlines system weaknesses and proffers measures, workable proposed actions to address the weaknesses within timelines, albeit within the five years span of the strategy. Its measures are mandatory and are clearly outlined in the NACS Implementation Work plan. Apart from the fact that some MDAs did not respond to the proposed measures stated in NACS, we noted that the ACC did not levy penalties on the MDAs that failed to comply with NACS recommendations and action plans. This creates room for corrupt practices to continue in MDAs. The ACC should put a mechanism in place to effectively manage the process of implementing the NACS recommendations and action plans. In addition, it should ensure that penalties are levied on all MDAs that fail to respond to the NACS proposed measures and action plans in accordance with Section 130 (1) and (2) of the ACA, 2008. This will help to enhance the prevention and fight against corruption within MDAs.

MINISTRY OF HEALTH AND SANITATION

- From the review of documents and physical inspections of stores, we noted a number of control weaknesses in the receipt and distribution of drugs and medical supplies. These weaknesses include but not limited to the following:

  (i) non-compliance with the SOPs manual in the receipt and distribution of drugs and medical supplies;

  (ii) delivery of medical items in stores, in the absence of receiving bay officers or other designated personnel;

  (iii) lack of stock taking;

(iv) receipt of donated drugs and medical supplies without the knowledge of the Channel Systems Operator;

(iv) material differences between the physical stock counts on shelves and information recorded on stock cards; and

(v) lack of monitoring and supervision at the CMS and other medical facilities.

The above control weaknesses created room for drugs and medical supplies to be converted into other use (i.e. drugs and medical supplies could have been stolen and sold outside the medical centers, stores, and government hospitals), thereby depriving the intended beneficiaries. The Permanent Secretary in collaboration with the Director of Drugs and Medical Supplies and the Stores Manager should put measures in place to ensure the above issues are immediately addressed.

- The storage space for drugs and medical supplies at the CMS and its subsidiaries was inadequate. It was observed that some drugs and medical supplies were packed on the corridors of stores while others were clustered and disorganised due to the limited space. We also noted that piles of expired drugs, which were, yet to be disposed, occupied majority of the store space in these medical facilities. Page 73 of the SOPs manual requires that the storeroom must be designed to suit the nature of the products, and should be properly organised to ensure easy receipt, storage and distribution of supplies. It further states that the internal organisation of the space in the store must have at least three basic areas corresponding to three functions:

  (i) an area reserved for the receipt of consignments;

  (ii) an area reserved for storage; and

  (iii) an area reserved for dispatch. Failure to properly organise stores in accordance with the SOPs manual exposes the drugs and medical supplies to pilferage, wastage, and loss of drugs' potency. The Permanent Secretary at the MoHS should ensure the provision of adequate and conducive storage space at the CMS and its subsidiaries. In addition, the Stores Manager at the CMS should ensure that drugs and medical supplies are organised in a manner that will facilitate easy receipt, storage and distribution. This will prevent drugs from being damaged and wasted. It will also curtail the pilfering of drugs.

APPENDICES

Appendix 1: List of Documents Reviewed

No.	Document
1	Anti-Corruption Act 2008
2	National Anti-Corruption Strategy 2014- 2018
3	Anti-Corruption Commission Strategic Plan 2013- 2015
4	National Anti-Malaria Control Policy- Revised Edition 2015
5	Sierra Leone Malaria Control Strategic Plan 2016- 2020
6	Anti-Corruption Commission Annual Reports (2014, 2015 & 2016)
7	African Union Convention on Preventing and Combating Corruption
8	National Anti-Corruption Strategy Implementation Action Plan 2014- 2018
9	National Anti-Corruption Strategy Implementation Report 2015
10	National Anti-Corruption Policy 2016
11	Guidelines for Case Management off Malaria 2015
12	Assessment Report on the Implementation of NACS 2014- 2018
13	Guidelines on Donations
14	Essential Medicines List

Appendix 2: List of Officers Interviewed

No.	Designation
Ministry of Health and Sanitation	
1	Director of Support Services
2	Permanent Secretary
3	Chief Medical Officer
4	Director of Information and Communications Technology
5	Director of Drugs and Medical Supplies
6	Acting Deputy Chief Pharmacist and Interim NPPU Operations Director
7	Acting Stores Manager
8	Officer-in-Charge Store One
9	Officer-in-Charge Store Two
10	Officer-in-Charge Free Health Care Warehouse
11	Chief Pharmacist Connaught Hospital
12	National Malaria Control Programme PSM Officer and NNCP Store Keeper
Anti-Corruption Commission	
13	Commissioner
14	Director of Finance
15	Director of Communication and External Outreach
16	Acting Director of Human Resources
17	Director of the National Anti-Corruption Strategy (NACS)
18	Director off Intelligence and Investigations
19	Director of Prosecutions

Appendix 3: Weaknesses and Proposed Measures of MDAs as reported in NACS Implementation Action Plan 2014 - 2018

No.	MDA	Weakness	Proposed Measure
1	Office of the President/Executive	Lack of political will and leadership undermines the credibility of NACS	H.E the President should set the tone at the top and cascade to the Cabinet Ministers, Chief Justice, key political figures and the private sector
2	Ministry of Education, Science and Technology	The cost of corruption is high. Diversion of resources from inadequate education budgets result in overcrowded classrooms, lower standards and crumbling schools, or no schools at all	Reduce the percentage of students per teacher by gradually phasing out the double-shift system to reduce overcrowding Create more classroom facilities Train more teachers and improve salaries and other incentives
3	Ministry of Youth and Sport	Planning for youth support done on ad hoc basis than being informed by a comprehensive database	Undertaking Zonal group mapping of all locations where youths are found in a particular location Send officials to register youths in their locations detailing their employment (needs) status and nature of support they will embrace
4	Ministry of Foreign Affairs and International Corporation	Lack of strategic collaboration with the Immigration's department and other relevant partners	Keep track of all foreigners issued with residential permits and regularly update data while informing the relevant authorities of those in breach of Sierra Leone's immigration laws
5	Environmental Protection Agency (EPA)	Perennial discretional engagement with manufacturers and mining companies at the expense of applying global environmental protection standards	Institute the best of practice of ensuring all mining companies as part of their agreements be required to pay an "Environmental Bond" that could be forfeited where there's evidence of recklessness and reluctance to restore mined land
6	Office of the Ombudsman	Blatant disregard of Ombudsman's correspondence by certain MDAs and Local Councils. Statutory limitation of Ombudsman to refer its cases to the ACC for redress as well as personnel and capacity challenges	Undertake focused-group discussions with all MDAs /local councils targeting the middle, lower and higher echelons for proper discussion of the Ombudsman's role and solicit their buy-in
7	Ministry of Health and Sanitation	Procurement of medicines and other medical supplies is vulnerable to inefficiencies and corruption. Distribution of drugs brought with difficulties and corruption	Train Procurement officers in this specialized field of procurement; enhance capacity and provide funds for efficient distribution of medical supplies

No.	MDA	Weakness	Proposed Measure
8	Ministry of Local Government and Rural Development	Failure to prioritize Local Councils capacity building as an excuse for delay in devolving functions outlined in the 2004 Local Government Act 2004, and non-adherence to asset disclosure by staff	Sensitizing the general public on the use of all local revenue generated and publish financial statements on Council Notice Boards Monitor the use of mandatory logging of all drivers to track fuel use and machinery care
9	Sierra Leone Maritime Administration	Weak supervision and enforcement of sea transportation safety standard	Regularly monitor the use of life jackets and impose heavy fines on defaulters
10	Public Sector Reform Unit	Oversized civil Service at the Shop floor (low level)	Expedite the civil servant proposal for approval and implementation

Appendix 4: Shortages of Drugs at Medical Stores

Shortages of Drugs at the Kingtom Store					
Donor	**Description**	**Unit**	**Stock Card Balance**	**Audited Balance**	**Shortage**
Ghana	Frudemide 250 mg	Piece	1290	480	810
Ghana	Ciprofloxacin 200 mg/100ml	Piece	3050	2596	454
Ghana	Piroxican 20mg	Caps	24000	10394	13606
ONS	Aluminium Hydro Oxide 50mg	Piece	5000	2000	3000
ONS	Ibruprofen 100mg	Piece	600	250	350
ONS	Paracetamol 125mg	Suspension	10170	643	9527
ONS	Metamdazole 100ml	Syrup	917	272	645
Holland	Adrenaline 1mg	Piece	175	75	100
Holland	Azithromycin 500mg	Piece	1998	1809	189
WHO	Zinc Sulphate 20mg	Tab	44600	40060	4540
WHO	Radio meter Base	Piece	88 91,888	48 58,627	40 33,261

Shortages of Drugs at Store 2							
S/N	**Stock Card Balance Date**	**Description**	**Stock Card Balance**	**Batch No.**	**Date of Expiry**	**Audited Balance**	**Shortage**
1	12/13/2017	Zinnia F – Microgynon	1,589	ZF677039	Apr-20	714	875
2	12/13/2017	Zinnia F – Microgynon	6,264	ZF677040	Apr-20	1,008	5,256
3	12/13/2017	Zinnia F – Microgynon	10,590	ZF677041	-	7,324	3,266
4	12/22/2017	Zinnia F – Microgynon	41,328	ZF677042	Apr-20	35,742	5,586
6	10/10/2017	Zinnia F – Microgynon	52,416	ZF677045	Apr-20	42,336	10,080
7	12/7/2017	Microgynon pills (Zinnia F)	61,824	ZF677106	Aug-20	60,816	1,008
8	12/7/2017	Microgynon pills (Zinnia F)	62,496	ZF677108	Aug-20	59,480	3,016
9	1/9/2018	Zinna F (Microgynon)	2,148	ZF677119	Oct-20	-	2,148
10	12/15/2017	Microlute Pills	90,000	81805334	Aug-21	-	90,000
11	8/3/2017	Physician's Adults Scale	17	-	-	-	17
12	10/10/2017	Streptomycin Sulphate Ig	4,800	1701611	Jan-21	4,600	200
16	11/27/2017	Refampicin/Isoniazid	208,320	NRU701B	Jun-19	174,720	33,600
17	10/19/2017	Refampicin/Isoniazid	672	ERC468A	-	-	672
24	10/19/2017	Refampicin/Isoniazid	36,288	16RRG159A	Nov-18	-	36,288
25	10/10/2017	Copper T. Coil (IUD)	16,000	A03032017	Feb-24	11,400	4,600
26	8/3/2017	Sterilizing Drums 340	72	-	-	56	16
30	6/7/2017	Magnesium Sulphate 500mg	1,322	00 68979	-	132	1,190

Shortages of Drugs at Store 2							
S/N	**Stock Card Balance Date**	**Description**	**Stock Card Balance**	**Batch No.**	**Date of Expiry**	**Audited Balance**	**Shortage**
1	10/10/2017	Zinnia F - Microgynon	53,424	ZF677044	Apr-20	59,808	- 6,384
2	12/7/2017	Microgynon pills (Zinnia F)	60,102	ZF677105	Aug-20	60,900	- 798
3	12/7/2017	Microgynon pills (Zinnia F)	58,464	ZF677107	Aug-20	60,480	- 2,016
4	12/7/2017	Microgynon pills (Zinnia F)	53,424	ZF677109	Aug-20	58,464	- 5,040
5	12/7/2017	Microgynon pills (Zinnia F)	60,102	ZF677110	Aug-20	61,110	- 1,008
6	12/7/2017	Refampicin/Isoniazid	982,464	16RRH166A	-	997,248	- 14,784
7	10/10/2017	Magnesium Sulphate 500mg	2,510	00 68980	-	2,758	- 248

Shortages of Medical Equipment at Wellington Store				
S/N	**Items**	**Stock Balance**	**Physical Count**	**Variance**
1	Trolley	13	7	6
2	Bed side Cabinet	22	2	20
3	Bed Labour Delivery	8	4	4
4	Intra-Uterine Device	11	9	2
5	Portable Monitor	19	17	2
6	Bed Screen	32	14	18
7	Digital Ultra Sonic Scanner	13	11	2
8	Flash Light/Light operating Light	6	0	6
9	Vaccine Storage Freezer	3	1	2
10	Infant Scale	16	7	9
11	Ammotic Hook	2600	2195	405
12	Nebulizer Automizor	10	4	6