

Public Hearing Summary – Tenth Meeting

Wednesday June 8, 2022

Inquiry Subject:

An examination of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2021.

Committee Members:

The following Committee Members were present for the meeting:

- Mr. Davendranath Tancoo, MP - Chairman
- Ms. Jearlean John - Vice-Chairman
- Mr. Roger Monroe, MP - Member
- Mrs. Paula Gopee-Scoon - Member
- Ms. Charisse Seepersad - Member

Witnesses who appeared:

Ministry of Finance (MOF)

- Mrs. Michelle Durham-Kissoon - Permanent Secretary
- Mrs. Jennifer Lutchman - Permanent Secretary
- Ms. Catherine Laban - Comptroller of Accounts, Treasury Division
- Mrs. Naleisha Bally - Deputy Comptroller of Accounts, Treasury Division
- Mrs. Avonelle Rostant - Treasury Director (Ag.), Pensions Branch
- Ms. Sabeta Lall - Commissioner Taxpayer Services and Processing (Ag.)
- Mr. Ramnarine Bedassie - Commissioner, Debt Management

Auditor General's Department (AGD)

- Ms. Lorelly Pujadas - Auditor General
- Mr. Shiva Sinanan - Assistant Auditor General
- Mr. Louis Hernandez - Assistant Auditor General
- Ms. Neela Sookra - Audit Supervisor (Ag.)
- Ms. Jacqueline De Gannes - Audit Executive II
- Ms. Anita Mangra - Senior Legal Officer

Auditor General's Report 2021**Key Topics Discussed:**

1. The continued impact of the COVID-19 pandemic on the audit of the Public Accounts;
2. The financial resource challenges affecting the Auditor General's Department (AGD);
3. The AGD's human resource challenges and the effect of understaffing on the Department's ability to comprehensively fulfil its mandate, including the audit of the annual financial statements of entities across the entire public sector;
4. The AGD's ongoing recruitment initiatives in collaboration with the Service Commissions Department to address its staffing challenges
5. The weakening of certain internal controls and the increase in the risk portfolio of Ministries, Departments and Agencies (MDA) as a result of the pandemic-;
6. The follow-up auditing procedures on COVID-19 related expenditure as at September 30, 2021;
7. The emphasis on linkages between pandemic-related expenditure by the Ministry of Health (MoH), the Ministry of Finance (MoF) and the Regional Health Authorities (RHAs);
8. The follow-up audit of the Ministry of Rural Development and Local Government's (MRDLG) subventions to Municipal Corporations;
9. The manual data storage systems in use across the public sector and the risk involved as a result of typographical and other errors;
10. The Auditor General's role of submitting issues and challenges noted at MDAs to the attention of the Public Accounts Committee;
11. The Management Letters submitted by the AGD to MDAs based on the audit conducted;
12. The increasing appreciation in recent years by Accounting Officers at MDAs of the importance of the role and functions of the AGD;
13. The monitoring role of the MoF – Comptroller of Accounts (CoA) pursuant to the Exchequer and Audit Act Chap. 69:01;
14. The differences between the roles of the AGD and the CoA;
15. The reports of misappropriation of funds regarding expenditure related to COVID-19 currently under police investigation;
16. The record keeping challenges noted across the public sector;
17. The level of compliance by MDAs with regards to the recommendations made by the AGD;
18. The reason for which overpayments may be noted in the accounts of MDAs;
19. The numerous inconsistencies and omissions detected by the AGD during its audit of the expenditure on social and COVID-19 related grants administered by several Government Ministries;
20. The exit meetings conducted by the AGD with the Ministry of Social Development and Family Services (MSDFS) on the strengthening of the Ministry's database to eliminate inconsistencies and omissions;

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21. The responsibility of MDAs to conduct investigations into issues raised by the AGD to ascertain whether or not there is impropriety, and to take relevant corrective action;
22. The flagging of recurring issues by the AGD for follow-up engagement;
23. The submission of a report on the follow-up initiatives of issues identified by the Auditor General to Parliament by the AGD;
24. ;
25. The importance of the implementation of the Integrated Financial Management Information System (IFMIS) and the ongoing efforts of the MoF towards this goal;
26. The need to implement a risk-based approach to internal audit across the public sector;
27. The importance of prioritising revenue collection in order to detect potential leakages;
28. The continued challenge posed to the AGD's audit of the Public Accounts by the secrecy provisions of section 4 of the Income Tax Act Chap. 75:01;
29. The status and significance of the public debt of Trinidad and Tobago and the potential significant risk on the allocation of resources of the state; and
30. The incremental transition from cash-based to accrual-based accounting across the public sector.

View the Hearing:

The hearing can be viewed on our YouTube page via the following link:
https://www.youtube.com/watch?v=DwM4OixIq_E

**PAC Secretariat
June 8, 2022**