

**DEPARTMENT OF PUBLIC SAFETY
PROJECT FOR PROCURING AMBULANCE IN POHNPEI**

Table of Contents

Introduction:	1
Background	1
Objective, Scope and Methodology	2
Inspection Result	2
Conclusion	3-4
Appendix A-Summary of Project Account	5
Appendix B-Schedule of Disbursements	6
Appendix C-Project Images	7-9



POHNPEI STATE GOVERNMENT
OFFICE OF THE PUBLIC AUDITOR

P.O BOX 370

KOLONIA, POHNPEI, FM 96941

TEL: (691) 320-2638/5407

WEBSITE: <http://opapni.fm/> EMAIL: opsa_psa@mail.fm

May 29, 2020

The Honorable Reed Oliver, Governor, Pohnpei State
The Honorable Ausen Lambert, Speaker, 10th Pohnpei Legislature
The Honorable Hidenobu Sobashima, Ambassador of Japan, FSM

RE: Inspection Report No. IE 001-20: Project for Procuring Ambulance for Pohnpei State.

Introduction

In his May 05, 2020 letter, Governor Reed B. Oliver asked our Pohnpei Office of the Public Auditor (POPA) to conduct an audit of the project to “Procure an Ambulance” for the Pohnpei State funded by the Japan Embassy in the Federated States of Micronesia. We have conducted and completed an Inspection of the project and are pleased to submit hereunder results of our Inspection.

Background

The Department of Public Safety (DPS), Pohnpei State Government, is responsible for safeguarding and protecting the lives and property of the people of Pohnpei, keeping the peace, and assuring compliance with all applicable laws. The Division of Fire and Emergency Services is one of the four Divisions operating within DPS. Headed by a Chief of Fire the division is responsible for fire suppression, public safety, coordination of search and rescue missions and disaster preparedness, coordination of response, relief and control from natural and man-made disasters.

In 2018, the Department of Public Safety requested and the Japan Embassy in the FSM approved the sum of \$67,823 for the project to “Procure an Ambulance Vehicle” for the Pohnpei State under the Japan Government Grassroot Grant program. The project’s primary aim was to procure an ambulance vehicle to support,

assist, improve and strengthen the medical emergency related programs and activities in the State of Pohnpei.

Objective, Scope and Methodologies

The objective of the Inspection was to determine whether the Department of Public Safety (DPS) implemented and expended the grant funds in accordance with the project agreement and applicable laws and regulations of Pohnpei State. Our inspection was limited to the review of the project management and administration and did not include other functional service areas of the Department of Public Safety.

To achieve our Inspection objective, we interviewed responsible management officials and others involved in the project implementation, reviewed relevant financial documentary information records, and made on-site visit and took pictures of the procured asset. Our inspection was conducted in accordance with the Quality Standards for Inspection and Evaluation issued by the Council of the Inspector General on Integrity and Efficiency (CIGIE) from May 19 through 22, 2020.

Inspection Result

Based on our Inspection, we found that:

- (1) On July 04, 2018, DPS submitted a grant application to the Embassy of Japan in the FSM through the FSM National Government for the project to “Procuring an Ambulance for Pohnpei State.
- (2) On October 17, 2018, the Grant Coordinator for Grass Roots Projects, Japan Embassy in the Federated States of Micronesia informed the Director of Public Safety, Pohnpei Government, the approval of the grant request/proposal.
- (3) On November 07, 2018, the Embassy of Japan in the FSM and the Governor of Pohnpei State signed the grant contract agreement in the amount of US\$67,823.00. On the same day, the Embassy of Japan issued a check for the entire grant amount to the Pohnpei State Government. A receipt of payment was issued on the same date certifying that the Department of Public Safety, Pohnpei Government has duly received full payment of grant funds.

- (4) On June 06, 2019, the Director of DPS request for a waiver of customs and tax fee exemption was approved by the Secretary of Finance and Administration, FSM National Government.
- (5) On July 01, 2019, the Director of DPS request for wharfage fee waiver or exemption was approved by the General Manager, Pohnpei Port Authority.
- (6) On July 02, 2019, the ambulance arrived in Pohnpei and DPS paid \$460 in used tax clearance and the vehicle was released.
- (7) On August 08, 2019, the Embassy of Japan in the FSM authorized Pohnpei State Government to pay the vendor/seller in full for procurement of the ambulance. (Refer to Appendix A for detail information).
- (8) On July 09, 2019, the Pohnpei State Government issued a check in the amount of \$67,823.00 to Medpharm, the vendor/seller under the sole source procurement guidelines, Pohnpei State Government

On-site visit and inspection of the project confirmed the existence of the Ambulance vehicle under the direct administration and management of the Chief, Division of Fire and Emergency Services. We also noted the Ambulance was in good operable condition, except for the ventilation which was damaged and not functioning properly. Due to lack of documentation, we could not verify the cause of the problem. The Ambulance has been tagged and registered in accordance with applicable laws. We further noted that DPS has developed a maintenance plan for the Ambulance and we commend DPS for this much needed and important initiative. Refer to pages 7-9 of this report for photos of this procured asset.

Conclusion

Based on our Inspection, we conclude that the initiation, implementation and completion of the project for "Procuring the Ambulance" for Pohnpei State were carried out in accordance with the terms and conditions of the Grant Agreement and the applicable laws of Pohnpei Government. The Financial records at the Department of Treasury and Administration (DOT&A) confirmed that the project funds received from the Japan Embassy in the FSM was fully expended for the project, and that the Ambulance is being used for the intended purpose in which it was requested and approved for.


In closing, we highlight below a number of issues that came to our attention during the Inspection and these include:

- We commend DPS for establishing and putting in place a maintenance plan for the Ambulance. We believe that if this plan is properly implemented, the asset will and can provide Pohnpei State optimal benefit for the years going forward.
- An Emergency Software Program for receiving emergency calls has been established on DPS's computer. Management explained that the employees working on a particular shift are responsible to record emergency calls both on the computer program and in the logbook. While reviewing this procedure, we noted that the records in the system did not all match the records on the logbook. We urge DPS management to improve and strengthen close supervisory monitoring and provide on-the-job training to ensure the process put in place result to the purpose as originally envisioned.

We appreciate very much the cooperation and the assistance extended to us by the Embassy of Japan in the Federated States of Micronesia, management and staffs of the Department of Public Safety, in particular personnel of the Division of Fire and Emergency Services, and the Department of Treasury and Administration. Please contact us at POPA's telephone number 320-2638 for any clarification you may have concerning this report.

With friendly greetings and Warm regards, we are.

Sincerely,


Ihlen K. Joseph
State Auditor
Pohnpei

Enclosures: Appendices A-C on pages 5-9

Cc: Governor, Pohnpei State
Speaker, 10th Pohnpei Legislature
Director, Department of Public Safety

**Department of Public Safety
Procuring Ambulance in Pohnpei State**

Appendix A:

Summary of Project Account

Cash Receipts/Grant Award	\$67,823
Total Disbursements	<u>67,823</u>
Remaining Balance	<u><u>0.00</u></u>

Appendix B:

Schedule of Disbursements:

Total Grant Award					\$67,823
Date	Check Number	Vendor Name	Description	Amount	
07/18/2019	14939-270198-13	Medpharm	Payment for the Ambulance	\$67,823	
Total Disbursements					67,823
Remaining Balance					\$ 0.00

Source: Department of Treasury and Administration (DOT&A)

Appendix C:
Project Images



Exhibit I Rear View of Ambulance Type 1 Hilux Toyota (GE 1108)



Exhibit II Front View of Ambulance Type I Hilux Toyota Exhibit II



Exhibit III Right Side of the Ambulance Type I Hilux Toyota



Exhibit IV Left Side of the Ambulance Type 1 Hilux Toyota



Exhibit V Interior of Ambulance Type 1 Hilux Toyota

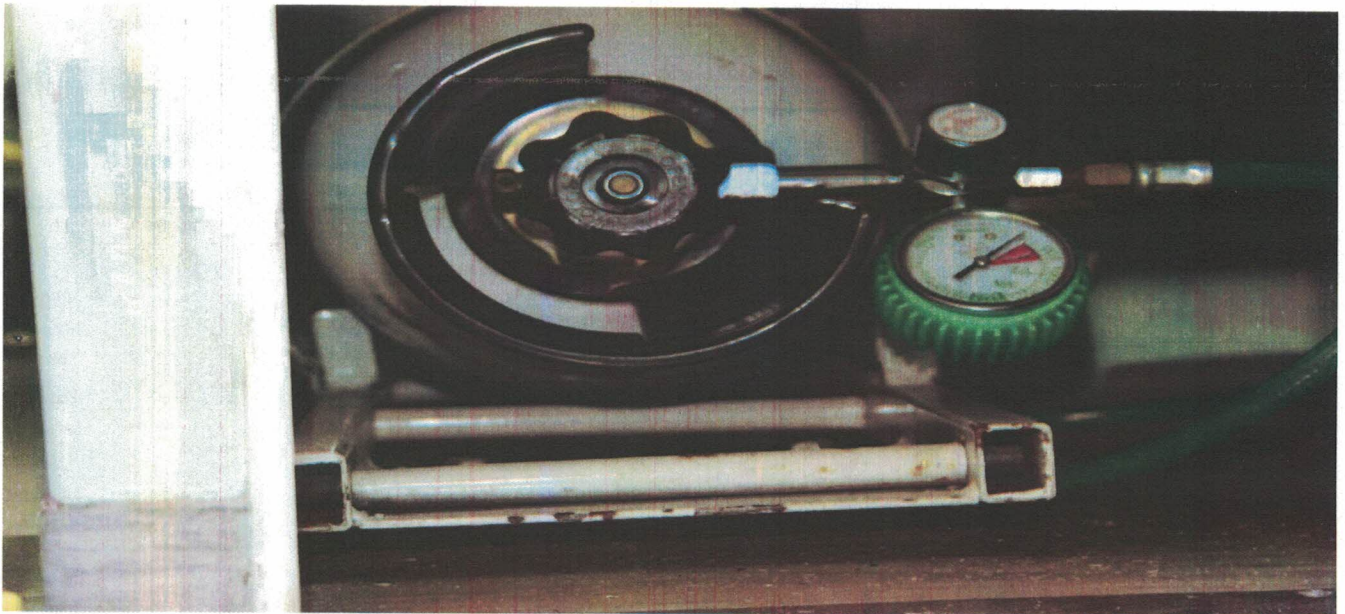


Exhibit VI Oxygen Tank installed in the Ambulance Type 1 Hilux Toyota