

UNIVERSITY OF PORT HARCOURT
WORLD BANK AFRICA CENTER OF EXCELLENCE IN OILFIELD CHEMICALS RESEARCH (CEFOR)

MINUTES OF THE 9TH STEERING COMMITTEE MEETING HELD ON MONDAY, AUGUST 15, 2016, AT THE EMERALD ENERGY INSTITUTE CONFERENCE ROOM.

A. PRESENT.

1. Prof. Bene Willie Abbey – Vice Chairman
2. Prof. Ogbonna Joel – Centre Leader
3. Prof. OnyewuchiAkaranta – Deputy Centre Leader
4. Mr. Edwin Harcourt – Internal Auditor
5. Dr. Felicia Ayuwo – Finance Officer/Project Accountant
6. Dr. IbisimeEtela - Procurement Officer
7. Mr. Udumalkpa – Monitoring & Evaluation Officer/Secretary
8. Mrs. BenedictaOmeni – Communication Officer
9. Mr. OwubokiaBenneth – Principal Internal Auditor, UniPort
10. Mrs. Abiodun Florence – Auditor 2, UniPort
11. Mr. Aselemi G. Umoh – Auditor 2, UniPort

B. ABSENT (with apology)

1. Prof. N. E. S. Lale – Chairman
2. Dr. ChikwenduUbani – Safeguards Officer

C. AGENDA

1. Opening Prayer
2. Opening Remarks
3. Reading and adoption of previous minutes
4. Internal Audit Report
5. M & E Verification Results
6. First disbursement from Verification
7. Progress so far:
 - i. Just concluded PhD Seminar
 - ii. PASET Application
 - iii. Accreditation (Internal & External)
 - iv. New PhD Admission
8. Payment of honorarium to Steering Committee Members
9. Adjournment
10. Closing

Opening

1. The Meeting began at 11.15 A.M. with the Vice Chairman, Prof. Bene Willie Abbey presiding.
2. The opening prayer was said by Mr. Ikpa.
3. The Vice Chairman, in her opening remarks welcomed all present to the meeting and thanked members of the ACE-CEFOP Steering Committee for their hard work and dedication. She expressed the hope that the Center will continue to progress till the end of the project.
4. In his own remarks, the Centre Leader stated that the University had carried out an internal audit of the Center and had prepared a preliminary report which would be shared with the Committee by the members of the University Internal Audit Unit present at the meeting. He stated that the Internal Audit report would be dispensed with first before the normal meeting would commence. This was in order to allow the auditors return to their offices.
5. The Project Internal Auditor introduced the members of the University Internal Audit team as Mr. OwubokiaBenneth – Principal Internal Auditor, Mrs. Abiodun Florence – Auditor 2, UniPort and Mr. Aselemi G. Umoh – Auditor 2, UniPort. He stated that in accordance with the World Bank’s rules, after an audit, there should be a discussion with the Steering Committee. This allows for the Committee to respond to any anomalies it may perceive in the Audit Report. The Committee’s response will then form part of the final Audit Report.

Presenting the audit report, Mr. OwubokiaBennethstated that the report covers the the first half of 2016. He informed the Committee that however for the purposes of the present meeting only the audit for the first quarter of 2016 – January to March – would be considered. He said that the following documents of the Center were examined: Cash Book, Payment Vouchers, Bank Statement, Work Plan/Budget, Procurement Plan, Audited Financial Report, Memo appointing Audit Committee members, Steering Committee members, Bank Reconciliation Statement, Trial Balance, Ledger, Fixed Asset Register and Receipt and Payment Account.

General Observations

1. The actual expenditure for the period under review was 58.29% less than what was budgeted in the Work Plan. Although significant positive variance indicates lesser expenses in relation to the budget, such significant positive variance from the work plan may not be in the best interest of the Center as funds budgeted may not be used and the Center might be operating below optimal capacity. This might have negative impact on achieving the main objectives of the projects 1st and 2nd milestones.

Internal Audit Report

2. Government accounting system was put in place, as cash basis IPSAS was used. Also, accounting software was used for preparation of accounting records and Receipt and Payment Accounts were prepared well but did not capture bank charges for the quarter and the source of the payments i.e. opening balance. Payments were done via bank transfers.
3. Although all payments had payment vouchers and went through internal audit processes, there was error of wrong payment as VAT that would have been remitted directly to the Federal Internal Revenue Service (FIRS) amounting to N77,498.30 was paid to the Vendor (University Data Center) PV No. 251505.
4. The audited financial report for the period ended 31stDecember, 2015 was examined. The Auditors expressed their opinion that the financial statements gave a true and fair view of the state of affairs of the Center.
5. Compliance with the financing agreements/work plan in executing major projects budgeted for the first quarter of 2016 is slow.
6. All payments went through the required approvals and authorization procedures. Segregation of duties was adequate. The procurement plan is prepared by the procurement officer, vouchers for expenditures are prepared by the Project Accountant, audited by the Project Auditor and approved by the Chairman of the Project Steering Committee, the Vice Chancellor. Also, various committees exist for various duties. These include the Project Steering Committee, the Audit Committee and the Procurement Committee.
7. To the best of the auditor's knowledge, there was no case of fraud and corruption reported or observed within the period under review. However, there are loop holes in the internal control system that could give rise to fraud and corruption, if no adequate measures are taken.

ACE-CEFOR's Response

In her response on behalf of the Center, the Project Accountant, thanked the Auditors for a job well done. She promised to immediately address the urgent issues raised like not capturing bank charges for the quarter. She informed the audit team that in the case of VAT related to PV No. 251505 she had already asked the Vendor concerned to pay the required VAT to the FIRS and send her a copy of the VAT receipt. She also stated that the slowness observed by the auditors regarding execution of projects was due to the fluctuating dollar rate in the country which reduced the spending capacity of funds. It was agreed that the internal auditors would meet with the Project Accountant to clarify the anomalies raised before the final report.

Closing

In the absence of any other business, the Internal Auditors were excused in order for the normal Steering Committee meeting to continue.

	Correction of Minutes of previous Meeting.	<ol style="list-style-type: none"> 1. The Minutes of the February 24, 2016 meeting were considered and adopted as the correct proceedings on a motion by Prof. Joel and supported by Dr. Etela. 2. The Minutes of the June 17, 2016 meeting were considered and adopted as the correct proceedings on a motion by Mrs. Omeni and supported by Mr. Harcourt. 	
	Adoption of the Agenda	A motion for the adoption of the agenda for the meeting was raised by Dr. Etela and supported by Mr. Ikpa.	
	ITEM	DISCUSSION/ACTION PLAN	ACTION PARTY
A.	M & E Verification Results	<p>The M & E Officer informed the Committee that the World Bank had verified the following categories of the Center's students: 40 out of 96 Short Course Students, 19 out 135 M.Sc. students, 46 out of 55 PhD students and 4 out 36 Internship students. He raised the need for better awareness to be created amongst the students of the Center especially the M.Sc. students from the contributing Centers of ACE-CEFOR. The Committee agreed to effect the following to aid with creating awareness:</p> <ol style="list-style-type: none"> 1. The sum of 50,000 naira will be given to each M.Sc. student to support their research project. 2. The M.Sc. students will be informed that they may be eligible to run PhD programmes in ACE-CEFOR if they make good grades. 3. There will be an ACE-CEFOR outreach during the M.Sc. orientation programmes of all the contributing centers. <p>The Committee decried the fact that 9 PhD students were not verified and decided that once the 9 are identified, they should respond to the World Bank stating their registration numbers, research topics, research supervisors and any other relevant information.</p>	M & E Officer Center Leader
B.	First Disbursement from Verification	The M & E Officer also informed the Committee that as a result of the verified students, the World Bank had officially written to say that the first batch of disbursements based on this verification, \$573,400, is due ACE-CEFOR. He however stated that by his calculations, because of the unverified students of the Center, ACE-CEFOR stands the chance of forfeiting about \$434,419, being the amount accruable for the unverified students. The center Leader promised to embark on a fresh drive to create awareness amongst the students regarding the verification exercise.	M & E Officer Center Leader

C.	Progress Reports		
C1.	PhD Seminar	The Center Leader informed the Committee that 20 PhD students made presentations at the just concluded PhD seminar which held from July 4-5, 2016. He stated that one of the 20 students had to be dropped to re-present during the next batch of PhD presentations because his results were not complete at the time.	Center Leader
C2.	PASET Application	The Deputy Center Leader informed the Committee that the Partnership for skills in Applied Sciences, Engineering and Technology (PASET), is an Africa-led initiative with the objective of strengthening the science, technology and engineering capability in sub-Saharan Africa to further its socio-economic transformation. The PASET Regional Scholarship and Innovation Fund (RSIF) will contribute towards training 10,000 PhD students in the fields of Applied Sciences, Engineering and Technology (ASET) for priority sectors in 10 years, and building the capacity of PhD programs in a core of African universities. The first round RSIF will be implemented through competitively selected Africa Centers of Excellence (ACE), which have the capacity to offer PhD programs in the selected thematic areas. He stated that the scholarship will be open to all but priority will be given to faculty members and students will be selected by PASET host institutions. The RSIF is being seeded by contributions from the Governments of Senegal, Rwanda and Ethiopia who have taken the lead in establishing the RSIF. The Deputy Center Leader stated that ACE-CEFOR had submitted its application to be part of the PASET programme. If successful, a minimum of 10 to a maximum of 15 regional students will be sent to ACE-CEFOR thereby strengthening the Center's chances of meeting the World Bank's 30% regional student clause.	Deputy Center Leader
C3.	Accreditation (Internal & External)	The Center Leader informed the Committee that as part of preparations for accreditation, the National Universities Commission (NUC) was planning a training for the ACEs of the African University of Science & Technology, Abuja, Obafemi Awolowo University, Ile-Ife and the University of Port Harcourt. The training is expected to take place in Abuja sometime in September, 2016. He also stated that the NUC was making arrangements to link the Nigerian ACEs with an international accreditation agency, ABET, USA.	Center Leader
C4.	New PhD Admission	The Deputy Center Leader stated that the Center would be advertising for its next	Deputy Center Leader

		batch of PhD students in the third week of August, 2016. The admission process is expected to finish by December 2016 and academic programs commence by the third week of January, 2017.	Leader
D.	Closing	In the absence of any other business and on a motion for adjournment by Mrs. Omeni and supported by Prof. Akaranta, the meeting came to an end by 3.20P.M. The closing prayer was said by Dr. Mrs. Ayuwo.	



Prof. N. E. S. Lale
Chairman



Mr. U. Ikpa
Secretary