

Extracted from Annex 2 of *International Experience with Civil Service Censuses and Civil Service Databases* by Neil McCallum and Vicky Tyler. International Records Management Trust, London UK, May 2001. This case study was authored by Roland Ulreich.

CASE STUDY 4

SIERRA LEONE

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INTRODUCTION

Many unfortunate factors have led to the current poor state of personnel management of the 'civil service and thus to an imbalance between the wage bill (Le* 80.8 billion for fiscal year 2000) and goods and services (Le* 46.2 billion) delivered by government

- ten years of internal conflict / civil war
- lack and/or breakdown of personnel control systems –many records destroyed by fire
- unprofessional employment practices (politics, nepotism, tribalism, etc..)
- corrupt fraudulent practices (ghost workers, wrong appointments, etc.)
- responsibilities for personnel management are scattered without a clear definition of functions and authority levels over several institutions
- abuse of power, lack of discipline, managerial skills and know-how in the supervising ranks
- no consequences / legal implications for officers under investigation for, or even found guilty of fraudulent and corrupt practices
- immature decision-making, unclear employment policies.

Considering the fact that the Sierra Leonean economy is mainly donor-driven, the verification of the civil service including all teachers and the police force was considered a high priority task by the major funding agencies (World Bank, International Monetary Fund, African Development Bank, European Union) and was imposed on the government of Sierra Leone as a precondition for the approval of a structural adjustment package (budget-support) disbursed by the European Union.

A further condition of the EU was the appointment of consultants, selected and funded by the European Union (DG8), into key-financial positions in government in order to ensure proper accounting procedures and to limit the breeding ground for corrupt practices. Thus, the position of the Accountant General has been assigned to an independent expert in government accounting, who has recruited a team of highly qualified accountants and IT-experts in order to tackle the tasks involved in establishing preventive measures, transparency and accountability.

The initiative to conduct a verification exercise and implement control mechanisms came from the Accountant General. Fully supported by the Commission in Brussels he hired an IT-Consultant with experience in government-personnel-management and relevant project-background in African countries to project-manage the task (Terms of Reference - ANNEX D). The Accountant General, who served as a project-team-leader, has played a vital role in increasing the general administrative discipline and conduct regarding personnel issues - his refusal to pay salaries and wages to any staff prior to full and positive verification and documentation, which is perfectly in line with the Public Budgeting and Accounting Act, has made a success possible. Obviously this has created enormous political pressure on the entire

department. The Establishment Secretary went in line with this approach and helped to push for more transparency and observation of rules and regulations regarding personnel issues.

It is left to hope that the local successor to the Accountant General, expected to take over by 2001, will be able to weather political attacks and furthermore bear the social pressure, which he will certainly be more exposed to than any European consultant.

The goal of the verification-exercise was to establish a clean, controllable and “ghost-worker-free” payroll in order to pay salaries and wages to civil service personnel timely and accurately, correctly account for the payments, build a comprehensive Computerized Personnel Management Information System and derive the relevant financial data for the monthly computation of the “gross-to-net” through the AGD.

The photographic identification cards, issued to every civil servant, teacher and member of the police force serve as an additional verification upon distribution of cards and collection of payment.

MODE OF OPERATIONS

Registration Process:

The staff to be registered is requested to present a fully filled form, containing all personnel and financial data. The accountants in all departments registered were asked to add/check the financial information (grade, scale, program code, unit, allowances, deductions) before submission/photographic registration. Furthermore, a copy of documentary evidence, supporting a legitimate employment status, was requested for. No staff was registered/photographed without these documents attached to the registration form. Many of these appointment letters were found to be fictitious upon further investigation. The registration form for civil servants is enclosed in ANNEX D. The forms for the teaching staff and the police forms are slightly different, specific to the respective departments.

The registration also captures the unit-level within the departments/ministries. The heads of units are requested to fill a form, listing down all staff of her/his unit present for photographic registration. This information forms the cost-centers to be paid.

Verification Process:

After the photographic registration, the registration papers (See ANNEX E - Main Registration Form) are filed, sorted by PIN and the data entered into a Computerized Personnel Management System (see below: “IT-Background”). This CPMIS then outputs reports, which the verification team uses to check the information supplied against the records held in the archives of the ESO and/or original records held by the Departments/Ministries. The filled and signed registration forms together with the copied appointment documents serve as a basis for the investigations.

All eight members of the team in charge with this crucial part of the project are ESO staff, including two former (retired) records officers with great experience. The team is advised to ensure for the integrity of core-data of all civil servants, with special emphasis on the following:

- authenticity of appointment document
- appointing Authority - legitimacy of appointment procedures
- correct Names, Date of Birth
- starting Date of First Appointment
- correct Designation and Salary-Grade/Scale (for payroll).

The file number of the original appointment-document is also collected and stored in the Database for future reference.

Senior Establishment Officers are supervising the team and approve the output. These officially authorized results of the verification team are then entered into the CPMIS. The Establishment Secretary's Office has only authorized authentic staff with legitimate employment status for transfer to the payroll-system.

Approval of Data by the Departments

Upon completion of the above steps, the CSV Office submits a "gross-to-net" report to the account-sections of the individual ministries. There the sub-accountants and personnel officers check for correct financial data (basic salaries, allowances, deductions, tax rates) and ensure that all staff is listed under the correct pay-location and Division-Code. This set of data is then signed off by each responsible vote controller (usually the Permanent Secretary) and comes back to the CSV Office. The validation and entry of the financial data returned from the Departments is the last step before the data required for the computation of the payroll can be extracted and prepared for transfer to the AGD payroll system, which resides on a networked SCO-UNLX platform

Data Transfer to AGD Payroll System

This electronic transfer of the payroll-related data has turned out to work well with simple 3/12" floppy disc and data in text-format. Once the data resides in the AGD-accounting system, it will only be transferred the other way in the future in order to keep the CPMIS up to date with financial information. Administration, entry, retrieval and maintenance of all other personnel-related data stored in the CPMIS are the responsibility of the ESO.

After positive verification and inclusion on the payroll (transfer of data to AGD), the staff is entitled to be issued a photographic ID-Card.

All requests for changes to the payroll data (originating from the Departments/Ministries) have to be approved by the ESO prior to submission to the AGD. Only documented and duly authorized changes are entered into the accounting system and processed for payment. The Flow-Chart “RECTIFICATION OF WRONG PAYROLL-DATA”, ANNEX B shows the steps involved.

Ministry of Education - Teachers

In the particular case of the ministry of education (completion 98% country-wide), a committee was established, within the Ministry of Education and assigned the responsibility to verify the teaching staff, with emphasis on designations, grades/scale-points and staff-ceilings for schools. The members of this committee have been highly instrumental and have accompanied the registration team on all field registrations to the accessible areas to do an on-site inspection of the teaching staff. All requests for changes to the data (originating from the schools) have to undergo verification through this committee before payment through the AGD payroll. The Ministry of Education has so far failed to produce any appointment-documents, staff lists or records on teachers or comprehensive registration papers for schools. The manual voucher seems to be the only available set of data on teachers (MS-Access Database).

The number of teachers on the payroll climbed close to 23,000 teachers in early 1999 - although this was a period of insecurity and general mayhem in the entire country and obviously audits of the payments were impossible. Apparently such “opportunities” were seized by corrupt officers to increase their income through fraudulent inflation of the payroll. Shortly after this peak in the teacher’s payroll, accountants and the permanent secretary of the Ministry of Education were charged with payroll-fraud, even leading to prison sentences.

Cooperation with other Departments

As shown in ANNEX A, the project requires the cooperation of all Departments involved. In this particular case, the excellent cooperation between the ESO and the AGD (through the CSV Office) and the institutional strength of the AGD has leveled the ground for a successful outcome.

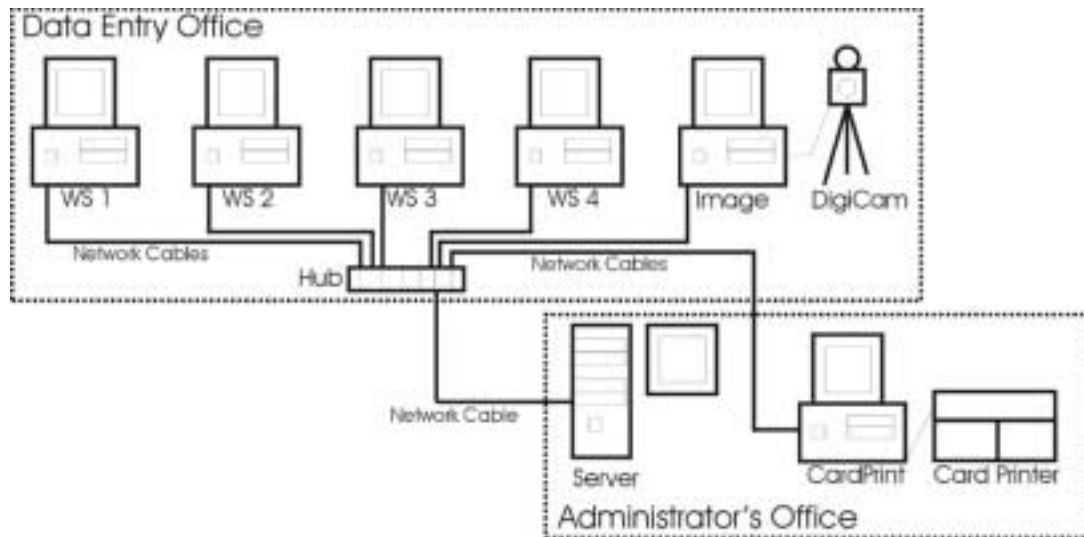
The Anti Corruption Commission (ACC) has largely stayed in the background until recently the influx of independent consultants has pushed for more involvement in payroll-fraud investigations.

The Accountants, Paymasters and Personnel Managers in the ministries have understood, accepted and adopted to the systems and procedures put in place.

IT-BACKGROUND

Hardware / Network Facilities

The CPMIS is a networked database system (MS Access), with the central database residing on a server. Data entry is carried out through workstations with a Windows 95 user interface. Currently the network connects 7 PCs and 2 laptop computers.



The network has been installed by the IT-staff of the Accountant General's Department under supervision of the project manager. The system administrator has received all required training to operate and troubleshoot the entire IT-Infrastructure within the CSV Office. Support is available through the technician at the AGD. Various equipment and accessories have been added during the project period.

Software

The database is designed on Microsoft Access 2000 and allows for multiple data entry and retrieval (several users within the computer-network can simultaneously operate the system). All information (images and database records) is stored centrally on the server. The application is not compiled but left open for modification and further development by the System Administrator. The System Administrator has been trained extensively on MS Access, database issues related to networking and on the process of data transfer to the AGD payroll system.

The staff assigned with the task of data entry and records-management has received continuous training throughout the project period and is well familiar with the user interface. Furthermore, the Project Manager has produced a manual.

The user interface of the CPMIS is custom tailored to the needs of the ESO and gives instant access to all personnel information including the digital photograph of each individual. Furthermore the system outputs numerous reports (staff lists, full-page-information-sheets

with the image of the person and all other data available, statistics, retirement-reports on month-end, etc...) and standard letters of the ESO (appointment letters, retirement letters, etc).

The following graphic illustrates the design of the database structure. The different user-interfaces show the database-utilization of the various user-groups.



NOTE: The process marked "A" represents the transfer of civil-servant-records from the transfer-table to the Live Employees – Table. This transfer of data will be carried out by the Administrator upon confirmation from the AGD that all records have been successfully loaded into the AGD payroll-system.

TABLE	DATA CONTAINED
Civil Servants NT	Civil Servants not yet transferred to the AG-payroll – awaiting ESO verification and approval. This table holds all personnel-information as gathered from the registration form
Civil Servants LE	Civil Servants, which are LIVE in the AG-payroll – currently on AGD payroll; same data structure and field properties as above
Civil Servants DE	Civil Servants, which are LELETED in the AG-payroll (eg retired), same data structure and field properties as above
Civil Servants TR	Civil Servants, which are TO BE TRANSFERRED to the AG-payroll as LIVE EMPLOYEES – approved, authentic, awaiting transfer for inclusion on the AGD payroll by the 20 th of each month., same data structure and field properties as above
Units	All Units within all Departments
Grades	Salary Grades / Scales and Tax Rates of the Civil Service
Districts	All Districts country-wide
Ministries	All Ministries / Departments within the Civil Service
Regions	4 Regions (N, W, S, E)
Status	Table containing all possible employee statuses
Division Codes	All Division Codes within all Divisions
Divisions	All Divisions

Data Security

The method of securing the database-application used in this CPMIS is called user-level security. This form of security is similar to methods used in most network systems. The two main reasons to use user-level security are to:

- prevent users from inadvertently breaking an application by changing tables, queries, forms, reports, and/or macros on which the application depends
- protect sensitive data in the database.

All users are required to identify themselves by an id, and then type a password when they start Microsoft Access. This is to regulate how users are allowed to work with the database. For example, members of the Data-Entry group might be allowed to view, enter or modify data through the main-form but cannot print the Information-Sheet or print payroll information. The system administrator of this CPMIS is the only person authorized to access all objects in the database, assign Ids and passwords and distribute them to each user.

Full backups are scheduled weekly and one full set of databases and images is kept safe outside the country with two-monthly backup-intervals. JAZ-Discs with a storage capacity of 2 GB each serve as storage media.

ID - Card Equipment

The digital images are captured with a stationery DataCard Auto-2000 camera, connected to a PC in the premises of the Establishment Secretary and with digital mobile cameras and laptops in the field. The software automatically stores a unique Personnel Identification Number, name, designation, date of issue, work-unit and the location and name of the image file. The close to 45,000 digital images taken during the project period constitute roughly 15GigaByte of data.

The ID Cards are printed on DataCard equipment. The same equipment is proven technology and in use for the issuance of National ID-Cards in Nigeria, Driver's Licenses in Ghana and various applications in several other African countries.

SOCIAL IMPACTS

The project has certainly created difficult situations for numerous people, whether legitimate employees or not e.g.:

- teachers having to wait for their backlogs and salaries until the verification process was concluded - some still left out in the bush
- staff who were actually working and considered themselves as legitimate but had their appointment letters issued by senior administrators within the ministries (e.g. driven by nepotism), which is a violation of a Government Circular - only the ESO can issue appointments. Such cases were removed from the payrolls
- travel to the CSV-registration-locations in the provinces is an enormous problem for most staff to undergo the registration
- 1,500 staff are above retirement-age and ought to be retired.

The positive impacts:

- payments of salaries and wages are on time and accurate
- basic salaries and wages have been increased as a result of the savings through the reduction of the overall staff number
- employees receive fast and competent help in case of problems with salary-matters. The help-desk-officer at the AGD can determine exactly and in seconds, where each payment went
- adjustment of irregularities (overpayment) -Fair payroll

FINANCIAL IMPACTS

The figures for the average salaries in the following table are based on NET salaries.

Category	Avg Monthly Net-Salary	No. of Staff (03/2001)	Total
Civil Servants	Le 62,257.00	13802	Le 859,271,114.00
Teachers	Le 134,450.00	18313	Le 2,462,182,850.00
Police	Le 54,680.00	7529	Le 411,685,720.00
Total	Le 85,122.00	39644	Le 3,733,139,684.00

Through the verification-exercise, the overall staff strength has decreased by 6181 staff as against the August 1999 payroll. In numbers, the savings are roughly Le 600,000,000. per month. At an exchange rate of 1: 2000 this equals US\$ 300,000.- per month = US\$ 3,600,000.- per year.

As some allowances, deductions, salary-grades and tax-percentages have been changed since the reference point of August 1999 the exact financial savings are difficult to calculate. The actual savings will certainly be slightly less than the above numbers because since the reference point for the calculation (August 1999), basic salaries have increased, additional allowances were introduced and tax-rates were reduced to the favor of the employees. The average NET salaries have increased by roughly 25% in the said period. This is mostly due to the introduction of a Le 20,000 - transport allowance for all civil servants and teachers (only permanent and pensionable staff) and a reduction of income tax rates.

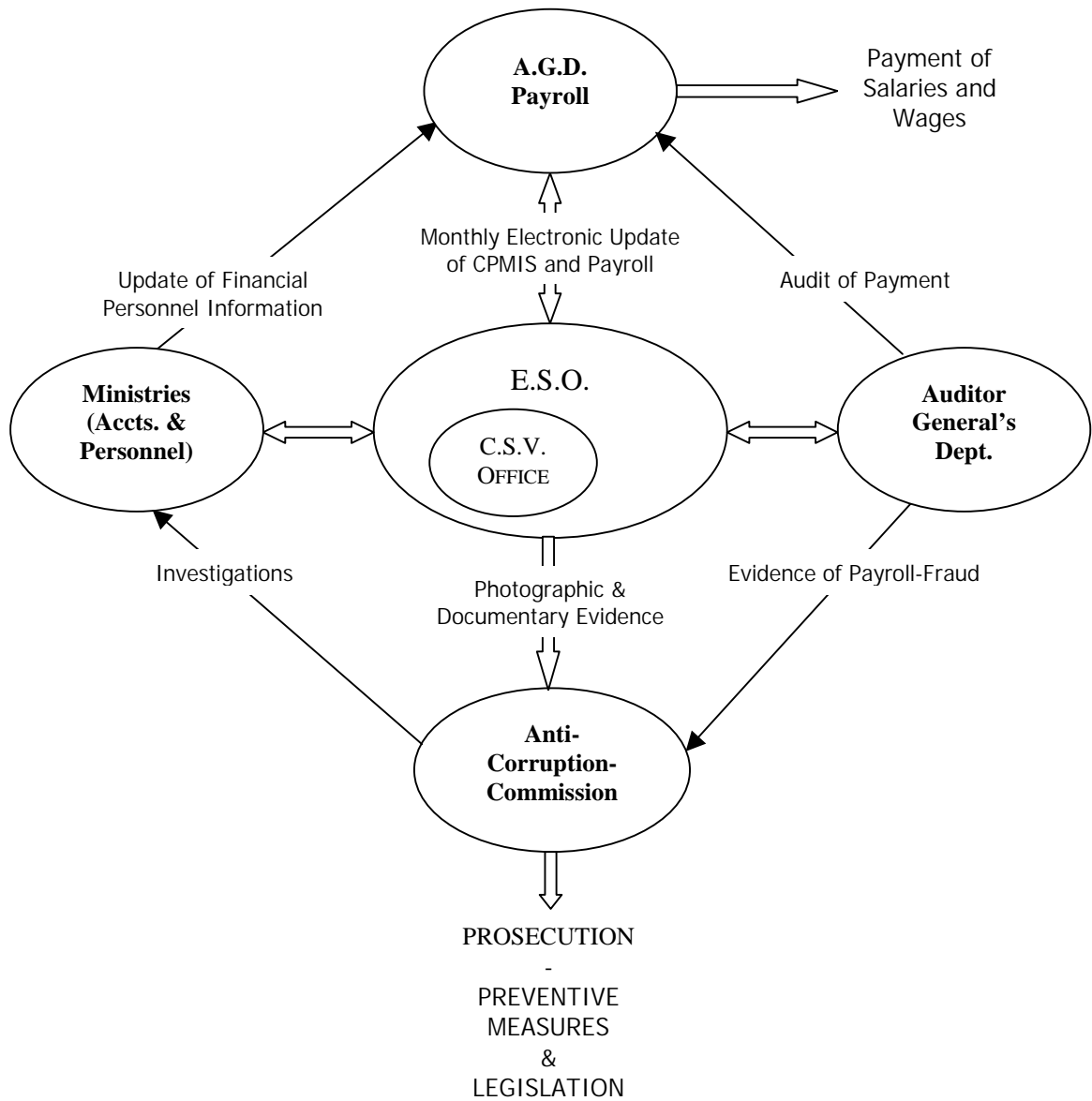
Furthermore it could be observed that in the past the staff strength of departments (especially teachers) used to vary significantly within a short period of time. These fluctuations would allow choosing a reference-point, which would make the above results even more favorable. August 99 was selected because it represents a reasonable average. Also exchange rates Le/US\$ were similar to current rates.

PROJECT COSTS

The following is a rough breakdown of project costs for a project-duration of two years (45,000 Persons registered and cards produced - country-wide).

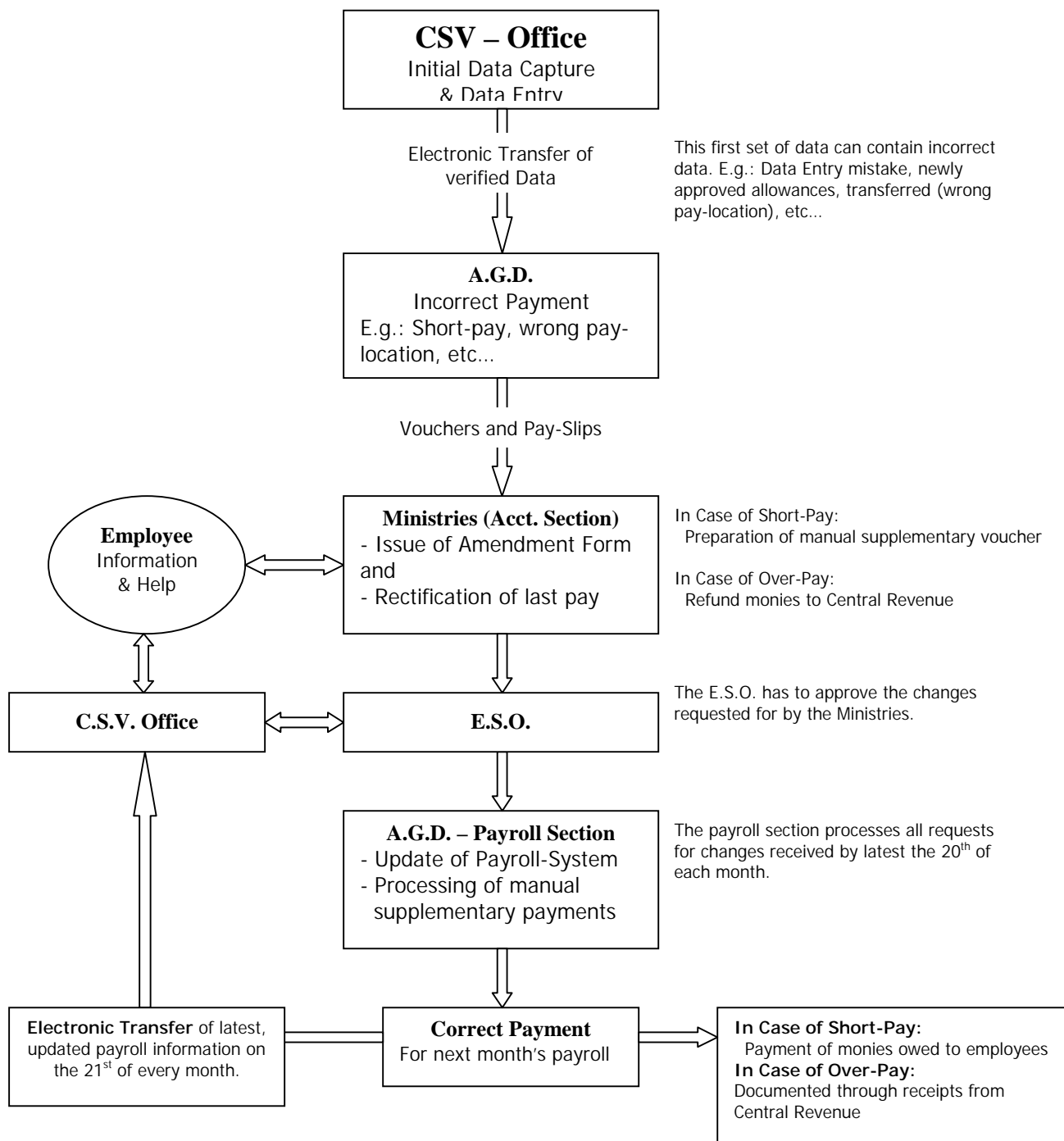
<i>QTY</i>	<i>Item</i>	<i>Cost in US\$</i>
<i>Personnel:</i>		
1	IT-Consultant with personnel management and database background (See Annex D – TOR)	200,000.00
2	Local Technical Assistants w. background in computing / networking.	50,000.00
Hardware and other:		
7	Personal Computers including two laptops	12,000.00
1	Various Networking equipment, software, accessories, office-stationery supplies, computer-spares	10,000.00
1	ID-Card Printer	22,000.00
45000	Blank ID Cards, consumables, etc	25,000.00
1	Project Vehicle	30,000.00
		Total: \$ 349,000.00

ANNEX A: FLOW CHART – Departmental Setup and Co-operation



Abbreviations	
A.G.D.	Accountant General's Department
C.S.V.	Civil Service Verification Office
E.S.O.	Establishment Secretary's Office
GOSL	Government of Sierra Leone

ANNEX B: FLOW CHART – Rectification of Incorrect Payroll-Data



All Sub-Accountants and Accountants in the Line Ministries have been instructed as to how to request for changes to the payroll and are familiar with the relevant process as shown above.

Abbreviations	
A.G.D.	Accountant General's Department
C.S.V.	Civil Service Verification Office
E.S.O.	Establishment Secretary's Office
GOSL	Government of Sierra Leone

ANNEX C – TERMS OF REFERENCE

Project Manager, Civil Service Verification Government of Sierra Leone

- 1 Manage and supervise the process of photographic registration of civil servants, teachers and members of the police force;
- 2 Co-ordinate the registration schedules and registration-modalities with the departments;
- 3 Co-ordinate technical assistants (accts.) in the process of fact-finding and the clarification of policy-issues within the departments during the registration;
- 4 Manage and supervise the verification through records held at the ESO and any other hardcopy-records;
- 5 Manage and supervise the printing of ID Cards;
- 6 Software development (MS Access) for networked Personnel Management Information System;
- 7 Software implementation, Data management and analysis;
- 8 Transfer of data related to payroll from the personnel-database to the payroll-accounting system (AGD);
- 9 Training of local (Sierra Leonean) system operators (Windows, MS-Access - data management, backup-routines, networking, ID-card-printing, etc.);
- 10 Technical assistance for the registration of pensioners (same technology as civil service registration);
- 11 Compilation of evidence to cases of payroll-fraud; coordination with the Criminal Investigations Department on the investigation of such cases;
- 12 Various troubleshooting within the IT infrastructure of the Accountant General's Department;
- 13 Report to the project-team-leader (Accountant General).

ANNEX D: MAIN REGISTRATION FORM – CSV



GOVERNMENT OF SIERRA LEONE ACCOUNTANT GENERAL'S DEPARTMENT

CIVIL SERVANT DATA SHEET

Every government employee must complete this form.

This Form Must Not Be Duplicated! Please note that giving false information is a criminal offence!
Please attach PHOTOCOPIES of the letters of your Present Appointment and Acting Appointment (if any)

1. First/Other Name(s): _____

2. Title/Surname: _____

3. Designation: _____
Please write only your present substantive designation which must be indicated on your letter of appointment attached and not your acting

4. Employment Status: (select one) Permanent & Pensionable Class II Pensionable Work Service Employee
 Temporary Daily Waged Contract Others (state).....

PIN Code:

 (For Official Use Only)

6. Date of Birth:

		19....
<i>date</i>	<i>month</i>	<i>year</i>

7. Gender
 Male
 Female
Select one

8. Marital Status
 Married
 Single
Select one

9. Residential Address: _____

10. Residential Phone No: _____ 11. Work Place Phone No: _____

12. Next Of Kin: _____

13. Date of First Appointment:

		19...
<i>date</i>	<i>month</i>	<i>year</i>

14. Date of Present Appointment:

		19...
<i>date</i>	<i>month</i>	<i>year</i>

15. Date of letter present Appointment:

		19...
<i>date</i>	<i>month</i>	<i>year</i>

16. Department No.:

 17. Programme No.

18. Status in the Service: In Post Vacation leave Terminal Leave Interdiction Study Leave with Pay

Assignment)

Study Leave without Pay No Pay Leave Temporary transfer (On

Sick Leave Indefinite Leave

Commenced Date.....

Expiry Date.....

Signature of Applicant

_____ **Date** _____

Signature of Unit Head
(Supervisor of the Duty
Station)

_____ **Date** _____

Name of Unit (Duty
Station)

Address of Unit

**Signature of Vote
Controller**

_____ **Date** _____

**FINANCIAL /ACCOUNTING DETAILS
FOR OFFICIAL USE ONLY! - Must be completed by the Accounts Office**

Computer Number _____ Basic Monthly Salary _____

Salary Level: Spinal Point:

Allowances (per month)

Medical Allowance:	_____	
Transport Allowance:	_____	
Rent Allowance:	_____	
Full Acting Allowance: *	_____	_____
Special Acting Allowance: *	_____	E.S.O. Letter Reference and Date
Responsibility Allowance: *	_____	_____
Domestic Allowance: *	_____	E.S.O. Letter Reference and Date
Remote Area Allowance:	_____	_____
		E.S.O. Letter Reference and Date

* Please note that the above allowances can only be paid if there is a supporting document from ESO

Deductions (per month)

Widow & Orphans Deduction:	_____	
Income Tax Deduction:	_____	
Union Dues Deduction:	_____	
Advance Repaid Deduction:	_____	
1/2 Pay Deduction:	_____	
Light Deduction:	_____	
Telephone Deduction:	_____	
Rent Deduction:	_____	
Financial Details Entered by	_____	_____
		Date
Database Entry by	_____	_____
		Date
Verification / Clearance by	_____	_____
		Date
Card Produced by	_____	_____
		Date

