

## CHECKLIST 2: EA DISBURSEMENTS CHECKLIST

<b>ADB Loan/Grant No. &amp; Project Name</b>	
<b>Contract No. &amp; Description</b>	
<b>Supplier/Contractor/Consultant Name</b>	
<b>Prepared By</b>	
<b>Date</b>	
<b>Reviewed/Noted By</b>	
<b>Date</b>	

**Guidance:**

*The executing agency, implementing agency, project management unit, and project implementation unit, as applicable, should ensure that project funds are used as intended.*

*The purpose of this checklist is to establish whether (i) adequate documentation is available to support the expenditures; (ii) contract payments are accurate, and promptly paid in accordance with payment terms stipulated in the contract; (iii) all transactions are genuine, authorized, and have been appropriately reviewed and approved; and (iv) all transactions are eligible for ADB financing.*

*Ideally, this checklist should periodically be accomplished for **each contract** based on sample transactions/withdrawal applications by the key project staff of the executing agency, implementing agency or the project management unit, specifically from the project financial management team.*

No.	Questions	Y/N/NA	Remarks/For Action
1	Do we maintain a ledger/monitoring record for each contract?		Indicate total disbursements of this contract as of review date.
	<ul style="list-style-type: none"> <li>Do we reconcile on a regular basis the total contract disbursements per contract ledger with the total disbursements recorded by ADB (from LFIS) and other donors (if funded by other donors apart from ADB)?</li> </ul>		Indicate frequency of reconciling contract disbursements with ADB's records.
	<ul style="list-style-type: none"> <li>For a contract funded by multiple donors (e.g., ADB, JICA, AusAid, etc.), does the ledger identify disbursed amounts for each funding organization/agency?</li> </ul>		

## CHECKLIST 2: EA DISBURSEMENTS CHECKLIST

No.	Questions	Y/N/ NA	Remarks/For Action
2	<p><i>Review selected withdrawal applications and payment supporting documents for this contract to ensure progress and final payments are accurate, properly supported, including proper liquidation of advances. Include use of SOE procedures.</i></p> <ul style="list-style-type: none"> <li>• Were amounts accurately paid based on the contract payment schedule?</li> <li>• For payments made that were not in accordance with the contract payment schedule, were these appropriately justified and authorized?</li> <li>• Were disbursements supporting documents such as invoices, receipts, progress payment certificates, and acceptance certificates (for final payments) <b>complete</b>?</li> </ul> <p><i>Examples of supporting documents that you would expect are the following: certificate of inspection, invoices/receipts for supplier stationery, consultant's timesheets, proof of goods delivery</i></p> <ul style="list-style-type: none"> <li>• For payments made with inadequate supporting documents, were these appropriately justified and authorized?</li> <li>• <b>Were there "odd" supporting documents such as:</b> <ul style="list-style-type: none"> <li>○ <b>erasures and/or corrections?</b></li> <li>○ <b>no/unusual company letterhead?</b></li> <li>○ <b>repetitive purchases that appeared unreasonable?</b></li> <li>○ <b>purchases not in line with the contract or that appeared to be unreasonable?</b></li> </ul> </li> </ul>		<p>If not, indicate withdrawal application no., amount of discrepancy from the contract payment schedule, and reason for the discrepancy.</p> <p>Indicate justification and name of the authorizing officer.</p> <p>If not, indicate withdrawal application no., description of payment with inadequate supporting document(s), type of inadequate supporting document(s).</p> <p>Indicate justification and name of the authorizing officer.</p> <p>These are potential "red flags". If you notice any of these, please report, together with a copy of the document to ADB Office of Anticorruption and Integrity.</p>

## CHECKLIST 2: EA DISBURSEMENTS CHECKLIST

No.	Questions	Y/N/ NA	Remarks/For Action
	<ul style="list-style-type: none"> <li>○ missing or altered documentation?</li> </ul>		
	<ul style="list-style-type: none"> <li>○ photocopied instead of original supporting document?</li> </ul>		
	<ul style="list-style-type: none"> <li>○ invoices or official receipts that look different from others?</li> </ul>		
	<ul style="list-style-type: none"> <li>• Were the approving authorities in the withdrawal application complied with?</li> </ul>		If not, indicate authorities that are non-compliant.
	<ul style="list-style-type: none"> <li>• For <b>civil works</b>, were progress/completion certificates duly signed by the designated engineer to signify that the works had been inspected before payment was made?</li> </ul>		Indicate authorized engineer to sign progress/completion or inspection reports.  If not signed, indicate justification.
	<ul style="list-style-type: none"> <li>• For <b>consulting contracts</b>, is there documentation that consultants' outputs were delivered and accepted to, among others, support payments made?</li> </ul>		If none, indicate justification.
	<ul style="list-style-type: none"> <li>• For <b>consulting contracts</b>, were consultants claims that were paid eligible and properly supported (e.g., consultant's signed time sheets)?</li> </ul>		If not, indicate payments made for ineligible and inadequately supported claims.
	<ul style="list-style-type: none"> <li>• For <b>goods contracts</b>, were the goods delivered inspected prior to acceptance and payment?</li> </ul>		
	<ul style="list-style-type: none"> <li>• For <b>goods contracts</b>, were payments covered by inspection reports?</li> </ul>		Indicate who inspects delivered goods and certifies acceptance thereof.
	<ul style="list-style-type: none"> <li>○ Based on the inspection report, is there possible conflict of interest of members of the inspection team/staff?</li> </ul>		In case of possible conflict of interest, indicate here and change members of the inspection team. Document such change.