



OFFICE OF THE OMBUDSMAN

PUBLIC REPORT

**ON THE IMPROPER HANDLING OF A
CHEQUE PAYMENT BY THE
DEPARTMENT OF FINANCE**

25 January 2007



REPUBLIC OF VANUATU

4015/2007/02

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**PUBLIC REPORT
ON THE IMPROPER HANDLING OF A CHEQUE PAYMENT BY THE
DEPARTMENT OF FINANCE**

SUMMARY**Outline of events (see further page 4)**

On 20 December 1999, the Department of Finance issued a cheque of VT323,312 to Mr Jean Cevuard for his 3 months notice and 1998 pro-rata gratuity. Mr Cevuard had served as a political advisor to then Prime Minister, Honourable Serge Vohor.

In January of the following year, the cheque was deposited into Mr Cevuard's account at the ANZ Bank (Santo). From that month to March, cash withdrawals were made from Mr Cevuard's account.

Mr Cevuard himself did not collect the cheque from the Department of Finance. Further, Mr Cevuard claims that he was not aware of the cheque being deposited into his account and also that the withdrawals were not made by him.

Findings (see further page 5)

- The Department of Finance' practice of issuing cheques is defective.

Recommendations (see further page 5)

The Ombudsman recommends:

- Further to Finance Regulation 5.15(3), the Minister for Finance and Economic Management should as soon as possible use his power under Section 70 of the Public Finance and Economic Management Act to make regulations that comprises proper checks and procedures to ensure the secure issuing of cheque payments by the Department of Finance.

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1. JURISDICTION

- 1.1 The Constitution and the Ombudsman Act allow the Ombudsman to look into the conduct of government, related bodies, and Leaders. This includes the Department of Finance. The Ombudsman can also look into defects in laws or administrative practices, including the Department of Finance's procedures for releasing cheque payments.

2. PURPOSE, SCOPE OF INVESTIGATION AND METHODS USED

- 2.1 The purpose of this report is to present the Ombudsman's findings as required by the Constitution and the Ombudsman Act.
- 2.2 The scope of this investigation is to establish the facts about the issuing of a cheque payment for Mr Jean Cevuard's gratuity pay and to determine whether the administrative practice of issuing cheques is defective.
- 2.3 This Office collects information and documents by informal request, summons, letters, interviews and research.

3. RELEVANT LAWS

- 3.1 Relevant parts of the Public Finance and Economic Management Act and the Finance Regulations are reproduced in **Appendix A**.

4. OUTLINE OF EVENTS

- 4.1 On 1st October 1996, Mr Jean Cevuard was appointed as the 3rd Political Advisor to then Prime Minister, Honourable Serge Vohor.
- 4.2 Due to the forthcoming National General elections of March 6th, 1998, Mr Cevuard's appointment was terminated on March 5th, 1998. A copy of Mr Cevuard's termination letter is attached as **Appendix B**.
- 4.3 On 20 December 1999, Finance Department issued a cheque payment of VT323,312 made out to Mr Cevuard for his 3 months notice and 1998 pro-rata gratuity.
- 4.4 On the same day, the cheque was collected by Mr Joseph Neveservet who was then Office Supervisor at the Prime Minister's Office during Mr Vohor's government.
- 4.5 On 13 January 2000, the cheque was deposited into Mr Cevuard's account at the ANZ Bank (Santo) by a Yvon Rapouel.
- 4.6 Mr Cevuard claims that he was not aware of such a release of funds and also that he was unaware that the money was deposited into his bank account.
- 4.7 From 14 January to 24 March 2000, cash withdrawals were made in Mr Cevuard's account. Mr Cevuard claims that he was not aware of the withdrawals and that another person had been posing as himself and withdrawing the money.
- 4.8 Mr Cevuard has reported the issue of theft to the Police to investigate the matter.

- 4.9 On 2 October 2003, Mr Cevuard wrote to the then Acting Director, Department of Finance, Ms Dorothy Erickson. A copy of the letter is attached as **Appendix C**.
- 4.10 The Ombudsman queried this letter and Department of Finance' response to the allegations stated against them. The Ombudsman's letter and Ms Erickson's response are attached as **Appendix D1 and D2**.
- 4.11 Ms Erickson states that the Department of Finance will prepare cheques and disburse them in the following ways:
- ❖ A Finance Officer from the respective department will collect the cheque from Payments Section at the Department of Finance to pay the supplier. The Finance Officer must sign on the Government Payment Voucher (GPV) to receipt the cheque payment.
 - ❖ A cheque can also be deposited directly into a supplier's bank account if the instructions are to do so by the supplier or the Finance Officer.
 - ❖ The respective supplier will collect the cheque at the Payments Section and sign on the GPV to receipt the cheque payment.

5. RESPONSES BY THOSE WITH FINDINGS AGAINST THEM

- 5.1 Before starting this enquiry, the Ombudsman notified all people or bodies complained of and gave them the right to reply. Also, a working paper was provided prior to preparation of this public report to give the individuals mentioned in this report another opportunity to respond.
- 5.2 Only the Honourable Minister for Finance and Economic Management, Mr Willie Jimmy Tapanga Rarua ("Mr Jimmy") responded to the working paper (see **Appendix E**). In his response, Mr Jimmy acknowledges that the Department of Finance needs to "...exercise some common sense of control measures to make sure cheques are released to the right persons...". Mr Jimmy makes some suggestions to address this. He also says that Mr Cevuard will have to prove that he himself did not withdraw the money from his account before he can be reissued with another cheque.
- 5.3 The Ombudsman appreciates Mr Jimmy's views on the working paper and is of the opinion that on receipt of the Ombudsman's working paper on this matter, that apart from suggesting methods to the Ombudsman to improve the practice of issuing cheques, that the Honourable Minister of Finance should have also taken proactive steps to address the problems raised in this matter so as to avoid the issuance of this public report.

6. FINDINGS

- 6.1 **Finding 1: The Department of Finance' practice of issuing cheques is defective.**
- 6.1.1 Regulation 5.15(3) of the Financial Regulations of the Republic of Vanuatu says in regard to cheque payments that "...every effort must be made to ensure that the cheque is given to the correct person..."

- 6.1.2 Regulation 5.15 is interpreted by the Department of Finance in such a way that the Department claims that there was a mutual trust between office supervisors of the ministries who were sorting out political employees' entitlements (refer to **Appendix D2**). These office supervisors were the *correct persons* who would be receiving the cheques on behalf of each recipient. However, this case shows that there is no guarantee that the recipient of the cheque will receive the cheque payment. There may be instances where this 'mutual trust' is breached so that cheque payments are not received by the correct person(s).
- 6.1.3 Then Acting Director of Finance Department, Ms Dorothy Erickson has also confirmed to the Ombudsman that her department does not have any formal way of checking if the appropriate or authorised person is collecting cheque payments (see **Appendix D2**). That is, that there is only a practice that exists but nothing is set in 'black and white'.

7. RECOMMENDATIONS

- 7.1 Further to Finance Regulation 5.15(3), the Minister for Finance and Economic Management should as soon as possible use his power under Section 70 of the Public Finance and Economic Management Act to make regulations that comprises proper checks and procedures to ensure the secure issuing of cheque payments by the Department of Finance.

Dated this 25th day of January 2007



Peter K. TAURAKOTO
OMBUDSMAN OF THE REPUBLIC OF VANUATU

8. INDEX OF APPENDICES

- A** Relevant Laws
- B** Copy of Mr Cevuard's Termination Letter
- C** Copy of Mr Cevuard's Letter to then Acting Director Finance Department
- D1** Copy of the Ombudsman's Letter to then Acting Director Finance Department
- D2** Copy of letter from Acting Director of Finance to Ombudsman
- E** Copy of letter from the Hon. Minister of Finance' in response to the working paper

Appendix A

PUBLIC FINANCE AND ECONOMIC MANAGEMENT ACT NO. 6 OF 1998

REGULATIONS

70. The Minister may from time to time by Order make all such regulations as may be deemed necessary or expedient to give full effect to the provisions of this Act and for the due administration thereof.

FINANCIAL REGULATIONS OF THE REPUBLIC OF VANUATU

MAKING PAYMENT TO SUPPLIERS

Regulation 5.15 ALL PAYMENTS TO BE MADE BY CHEQUE OR DIRECT CREDIT

- (1) Wherever possible payments for all vouchers must be made by cheque or direct credit to a bank account. However, payments under 1,000 vatu may be made in cash from the standing imprest.
- (2) A cash cheque is to be issued only in exceptional circumstances or if the payee has no bank account and cannot be persuaded to open a bank account.
- (3) If a payment is made by cash cheque, the payee is to be asked to sign a cheque register to show that the payee has received the cheque, and every effort must be made to ensure that the cheque is given to the correct person. If a person is illiterate, his or her mark must be witnessed by an officer other than the paying officer or by a literate person known to the paying officer.
- (4) A cash cheque must not be for more than 20,000 vatu unless approved by the Director Finance.
- (5) Payment by direct credit to a bank must specify the name, account number and purpose of the payment.

Appendix B

BUREAU DU PREMIER MINISTRE



Ref PMO/800/1/97/RSV/mm/98

Mr Jean CEVUARD
Third Secretary
Prime Minister's Office
PORT VILA.

RECEIVED
OFFICE OF THE PRIME MINISTER

5th March 1998

20 FEB 1998

DEPARTMENT OF
FINANCE

Dear Mr Cevuard,

TERMINATION OF YOUR APPOINTMENT

By this note I wish to inform you that your appointment dated 1st October, 1996 as a Third Secretary in the Prime Minister's Office, is hereby terminated, effective from 5th March 1998. You shall be paid :

1. 3 months salaries in lieu of notice
2. Any Outstanding Leave
3. and any other entitlements.

May I take this opportunity to thank you for the service you rendered to the government during the period you have worked in the Prime Minister's Office, during the term of this Government.

Yours sincerely,

HON. RIALUTH Serge VOHOR
PRIME MINISTER
GOVERNMENT OF VANUATU



CC : Prime Minister's Office

- : ~~Director of Public Service Department~~
- : Director General of Finance
- : Attorney General
- : Audit Department
- : Salary Section

Appendix C

Jean CEVUAR
Port-Vila

2 October 2003

Mrs. Dorothy ERICKSON
Director
Department of Finance

Dear Director,

**RE: UNAUTHORIZED ISSUE OF MY 1999 GRATUITY PAYMENT BY YOUR
DEPARTMENT TO AN UNAUTHORIZED PERSON**

I am submitting this claim that the Department of Finance has, on or about 20th December 1999, issued a cheque for gratuity payment under my name totaling VT. 323,312 (Three Hundred and Two-Three Thousand Three Hundred and Twelve Vatu) to an unauthorized officer by the name of Joseph NEVESERVET. The Cheque No. is 98646. See attached copy of document attached hereto.

On the basis of information and documents in my possession, another person by the name of Yvon RAPOUEL, without my knowledge and authorization, deposited the amount into my bank account at the ANZ Bank two (2) years later, on 13th January 2000. Thereafter, during the January-March 2000 period, nearly all the funds were withdrawn by an individual (yet to be identified by the Police) by falsifying my signature. The Police has all the documentation to verify this statement.

Whilst the unauthorized withdrawal at the ANZ Bank is a problem for the ANZ Bank to deal with, your Department is primarily responsible for releasing the cheque under my name to an unauthorized person. That was a gross professional misconduct on the part of the Department of Finance.

I therefore claim that the Department of Finance still owes me VT. 323, 312 and I now request payment of the same. Please, contact me at the Ministry of Youth and Sports as soon as possible to advise me on how you intend to settle my claim.

Yours sincerely,

Jean CEVUAR
Second Political Advisor
Ministry of Youth & Sports



Cc: -Acting Director-General, Ministry of Finance.
-Director-General, Prime Minister's Office.
-Commissioner of Police (Attention: Jean-Paul TURE)



Of Appendix D1 ombudsman
L'Office du Médiateur
Ofis blong Ombudsman



Our Ref: 0411-4015-L25-de
(Please quote this reference in all correspondence)

10 February 2004

Ms Dorothy Erickson
Acting Director
Department of Finance
PMB 9031
Port Vila

Dear Ms Erickson

ALLEGED IMPROPER ISSUING OF GOVERNMENT CHEQUE NO. 98646

This Office has received a complaint against your department. We intend to start an enquiry into the matter. The complaint alleges that in 1999 when the Vohor Government was toppled, gratuity payments were made to all relevant people. Mr Jean Cevuard who served with Prime Minister Vohor as third political adviser was to receive a cheque amount of total: 323,312 vatu (see copy of GPV Payment attached).

The complaint also alleges that Mr Jean Cevuard himself did not collect this cheque, but a Mr Joseph Neveservet collected this cheque without his authorisation. We are attaching a copy of a letter that Mr Cevuard sent to you dated 2 October 2003 for your information.

The complaint alleges that your department committed a gross misconduct by releasing the cheque under Mr Cevuard's name to an unauthorised person.

As you are the person in charge, you have a right to reply to this complaint. Please provide your response **before 27 February 2004**. If we do not hear from you, we will assume that you have no comments to make.

To assist this office in this enquiry, we request that you forward the following documents and information along with your response:

1. Did you receive Mr Cevuard's letter of 2 October 2003?
2. If so, what was your response to it?
3. What checks are in place for the Department of Finance to ensure that the release of such cheques are given to the correct person(s)?
4. Who was responsible for preparing and issuing this particular cheque?
5. Upon whose instructions/advice was this person acting?

6. Please also provide any other documents or information that you consider relevant to this matter.

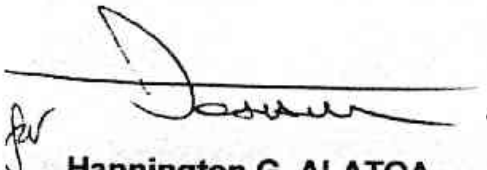
If you do not respond to this request, this Office can issue a Notice compelling you to come to the Office to give evidence and to provide the required information and documentation, however we prefer to work co-operatively wherever possible.

Please note:

Confidentiality is important and is protected by s.28 of the Ombudsman Act. Breaching confidentiality may constitute an offence. This correspondence is directed only to you and anyone in your office with whom it is necessary to communicate in order to provide the information requested. If you have any question about the extent of confidentiality in this matter, please contact the Ombudsman's Office to discuss it.

Please contact us if you have any questions. Thank you in advance for your assistance in this matter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Hannington G. Alatoa', is written over a horizontal line. To the left of the signature, there is a small, stylized handwritten mark that looks like 'for'.

Hannington G. ALATOA
OMBUDSMAN OF THE REPUBLIC OF VANUATU

Encl.

**GOUVERNEMENT DE LA
REPUBLIQUE DE VANUATU**

**SERVICE DES FINANCES ET DE
LA GESTION
ECONOMIQUE**

*Sac Postal Reservee 031, Port Vila,
VANUATU
Tel: (678) 24543 Fax: (678) 25533*

Appendix D2



**GOVERNMENT OF THE
REPUBLIC OF VANUATU**

**DEPARTMENT OF FINANCE
AND ECONOMIC
MANAGEMENT**

*Private Mail Bag 031, Port Vila,
VANUATU
Tel: (678) 24543 Fax: (678) 25533*

Your Ref: 0411-4015-L25-de

24th June 2004

Mr. Hannington Alatoa
Ombudsman
Office of the Ombudsman

Dear Sir,

Subject: Alleged Improper Issuing of Government Cheque N. 98646.

Reference is made to your letters of 10/2/04, 13/4/04 and your summon of 16/6/04 concerning the above case. The responses to your questions are as follows:

1. Yes I have received Mr. Cevuar's letter of 2 October 2003.
2. After several discussions with him in my office and the head of CID, I sought legal advice from our legal officer and the verbal response we gave him was that we are not responsible and will not refund him, because the cheque payment actually was deposited into Mr. Cevuar's personal account.
3. The department of finance does not have any formal checks in place to ensure that the release of cheques are given to the correct person(s). In most cases the finance officers from the government departments and ministries would be responsible to identify their suppliers or contractors/employees as they would know them and have more information on them than the finance department. Finance department prepares the cheques and the cheques are disbursed in the following ways:
 - Finance officers collecting the cheques from Payments section and and pays their suppliers. They have to sign on the GPV as receipt of the cheque payment.
 - Cheques are deposited directly into the suppliers bank accounts if instructions are given to do so by the suppliers or the finance officers
 - Suppliers come and collect their cheques at the Payments section and sign on the GPV as receipt of the cheque payment.

4. Mr. Joseph Neveservet who was the Prime Minister's Office Supervisor during Mr. Vohor's government was the one responsible for preparing the payment voucher for this particular payment. The payment voucher was then verified by Finance department and a cheque was drawn in favor of Mr. Cevuard on 20/12/1999. The cheque was issued by the Paymistress on the same date and was receipted by the PM's Office supervisor, Mr. Neveservet.
5. The Paymistress was acting on the advice of the office supervisor of the PM's office who was responsible for their finances and payments of their suppliers and employees. The cheque payment was deposited to Mr. Cevuard's bank account on 13/01/2000. (See attached letter to legal officer)
6. All relevant documents in relation to this payment are attached for your reference including ANZ withdrawal slips which have Mr. Cevuards signatures (claim to be forged).
7. Finance Department is not refunding the money until such time the Police can prove that the withdrawals were not made by Mr. Cevuard and that his signatures were forged and there was a fraud.

Should you have any more queries please do not hesitate to contact me. My apologies for the delay in responding to your letters on this matter.

Yours sincerely,



Dorothy Ericson
A/Director of Finance



GOUVERNEMENT DE LA
REPUBLIQUE DE VANUATU

SERVICE DES FINANCES ET DE
LA GESTION
ECONOMIQUE

Sac Postal Reservee 031, Port Vila,
VANUATU

Tel: (678) 24543 Fax: (678) 25533



GOVERNMENT OF THE
REPUBLIC OF VANUATU

DEPARTMENT OF FINANCE
AND ECONOMIC
MANAGEMENT

Private Mail Bag 031, Port Vila,
VANUATU

Tel: (678) 24543 Fax: (678) 25533

28th November 2003

Ms. Megham Evenett
Legal Advisor
Customs Dept
Ministry of Finance & Economic Management

Dear Ms. Evenett,

Re: Legal Advice on Mr. Jean Cevuard's Claims.

Mr. Jean Cevuard, former Political Advisor to the Ministry of Youth and Sports, in 2003, is claiming refund of a cheque payment for his entitlements, which he claimed was mishandled by the department of Finance in 1999. Below is a list of events that led to his cheque payment being deposited into his account.

1. Mr. Jean Cevuard was appointed 3rd PA to the Prime Minister on 1/10/1996.
2. Terminated on 5/3/1998.
3. Finance Dept issued a Cheque payment of VT 323,312 to Mr. Jean Cevuard for his 3 months notice and 1998 pro-rata gratuity on 20/12/1999. (CHQ No. 5098646)
4. Mr. Joseph Neveservet (former Office Supervisor – PM's Office 1998/1999) signed for the cheque on 20/12/1999.
5. The cheque payment was deposited into Mr. Cevuard's account at ANZ (Santo) a/c No. 22296 on 13/01/2000.

Mr. Cevuard claimed he did not authorize any person to receive the cheque on his behalf. However, department of Finance released the cheque to Mr. Joseph Neveservet on 20/12/1999, the same day the cheque was issued. Mr. Neveservet was the Prime Minister's Office Supervisor then, and he was responsible in handling the payments of those former political employees who were terminated in 1998. There was this mutual trust between the department of Finance and Office Supervisors of the Ministries as there were responsible in sorting out political employees' entitlements. Mr. Neveservet did not only pick up Mr. Cevuard's payment, but a few others as well.

The cheque payment was deposited into his Santo bank account through Vila branch on 13/01/2000. However, Mr. Cevuard claims he was never made aware of the deposit, and the withdrawals made against his bank account thereafter. He has reported the case to the police, and the CID are investigating the matter at the moment, but it will take them some time. The police say they already have a suspect, but until now they do not have a strong prove against the suspect.

While the police are still investigating the matter, Mr. Cevuard has requested that we refund him, because he claims it is the Finance department's fault to have released the cheque at the first place. (see attached copy of letter) I am requesting your advice as to whether we should refund Mr. Cevuard now before the police complete their investigation, or wait until the investigation is completed.

Your earliest response to this request will be very much appreciated. Should you wish to get more information or clarification on this matter, please do not hesitate to contact me on tel: 24543 ext: 11.

Yours sincerely,



Dorothy Ericson
Acting Director of Finance



CC: Ex-chequer Service Manager
Payments Section

Gouvernement De Vanuatu

**Service des Douanes et des
Contributions Indirectes**



Vanuatu Government

**Investigations and Legal
Section
Department of Customs
and Inland Revenue**

18 DEC 2003

Ms Dorothy Ericson
Acting Director of Finance
Department of Finance
Ministry of Finance and Economic Management

18 December 2003

Dear Ms Ericson

Claims by Mr Jean Cevuard for re-issue of cheque number 5098646

I refer to your letter dated 28 November 2003, our phone conversation of 2 December and our meeting of 16 December regarding Mr Jean Cevuard's claim that he should be re-issued with his cheque for notice and gratuities, dated 20 December 1999, number 5098646 (the Cheque).

1. Introduction

Mr Cevuard claims in his letter dated 2 October 2003 that he should be re-issued with the Cheque as it was released to an unauthorised person. Despite the Cheque being deposited into his account, Mr Cevuard claims he never knew about the Cheque and some unknown person withdrew the money from his bank account.

2. Should the Department of Finance re-issue the cheque?

As I discussed with you in our meeting on 16 December, I have discussed this issue with Mr Brad Row of the State Law Office. As an initial view, we do not believe that the Cheque should be re-issued to Mr Cevuard. This is because although there may be discrepancies in the way the Department of Finance released the Cheque (which I discuss in more detail in paragraph 3 below), the Cheque was deposited in his bank account and any problems with the money following that point are not the concern of the Department of Finance. Mr Cevuard has not demonstrated what was his loss, nor how the Department of Finance contributed to any loss.

3. Discrepancies with the Department of Finance's release of the Cheque

Mr Cevuard alleges that the Department of Finance must re-issue the Cheque as it was released to an 'unauthorised person' other than himself in the first place. This alleged error may be interpreted in two ways:

1. the error was in releasing the Cheque to Mr Neveservet (Mr Cevuard's Office Supervisor), as Mr Neveservet was an unauthorised officer, and cheques should only be released to Mr Cevuard himself; or
2. the error was in Mr Neveservet releasing the Cheque to someone other than Mr Cevuard, such as Yvon Rapouel, without Mr Cevuard's authorisation. This person then deposited the money into Mr Cevuard's account.

I will examine these two situations below.

Private Mail Bag 012 – PORT VILA – Vanuatu
Sac Postal Prive 012 – PORT VILA – Vanuatu

Tel (Office): (678) 24573
Fax: (678) 24574

1. You stated in our conversation on 2 December 2003 that there is no documentation outlining that it was the policy for Office Supervisors to pick up cheques on behalf of employees. However, you informed me, as well as noting in your letter, that this was standard practice and you have numerous examples from both Mr Cevuard's office and other parliamentary offices showing this was the case. This would deal with Mr Cevuard's allegation that Mr Neveservet was 'unauthorised' to pick up cheques. You said that you would check whether Mr Neveservet regularly collected cheques on behalf of Mr Cevuard, among others. Ideally, you should obtain documents showing that on other occasions Mr Neveservet collected cheques on Mr Cevuard's behalf. Assuming this is the case, Mr Cevuard appears to have accepted this practice, and it would be difficult for him to argue that he never accepted it.
2. The Department of Finance must clarify whether Mr Neveservet in fact did release the Cheque to Yvon Rapouel, as Mr Cevuard alleges. Assuming that Mr Neveservet did release the Cheque to Yvon Rapouel, this may be an instance of improper procedure on the Department of Finance's part. However, as clearly indicated by the statement dated 7 May 2003, a copy of which is attached to his letter of 2 October 2003, 323,312 vatu was deposited into Mr Cevuard's account on 13 January 2000. Beyond this point, the Department of Finance can only assume that Mr Cevuard received the benefit of the Cheque. Mr Cevuard's control over who has access to his bank account is his concern.

4. **Discrepancies with Mr Cevuard's claim**

There appear to be several discrepancies in Mr Cevuard's claim which must be clarified, either by him or by reviewing the Department of Finance's records, before you would consider re-issuing the Cheque to him.

1. Mr Cevuard notes that there was a delay of nearly two years between his termination and the Finance Department issuing the Cheque. Do you have any letters or records showing that Mr Cevuard was informed of the Cheque's issue?
2. Mr Cevuard has an Access Account with the ANZ Bank. The ANZ Bank's standard practice is to issue monthly statements. How come Mr Cevuard did not become aware of the deposit until 7 May 2003, the date on which it appears the statement attached to his letter was printed, which is over two years after the Cheque was deposited? Why did Mr Cevuard delay a further 5 months until his letter of 2 October 2003 to claim that the Department of Finance should re-issue the Cheque?
3. What loss has Mr Cevuard suffered as a result of the Department of Finance releasing the Cheque to an unauthorised person, when it is clear that the Cheque was deposited into Mr Cevuard's bank account? As Mr Cevuard himself notes, the withdrawal of the money is a matter for the ANZ Bank and the police and not a matter for the Department of Finance.

As a result, I suggest that you investigate the questions laid out in this letter before deciding whether to re-issue the Cheque. Please let me know if you require any more assistance in relation to this matter. I can be contacted on meverett@vanuatu.gov.vu or on 24544 or 40864.

Yours faithfully



Meghan Everett
Legal Officer
Department of Customs and Inland Revenue
Ministry of Finance and Economic Management

GOUVERNEMENT DE
LA REPUBLIQUE DE VANUATU

MINISTERE DES FINANCES ET DE
LA GESTION ECONOMIQUE

SAC POSTAL PRIVE 058, PORT VILA,
VANUATU
TEL: (678) 23032 FAX: (678) 27937



GOVERNMENT OF THE REPUBLIC OF
VANUATU

MINISTRY OF FINANCE AND
ECONOMIC MANAGEMENT

PRIVATE MAIL BAG 058, PORT VILA,
VANUATU
TEL: (678) 23032 FAX: (678) 27937

Appendix E

Le Ministre/The Minister

Our/Notre ref:
Your/Votre ref:



9th November, 2006

The Ombudsman,
Office of the Ombudsman,
PMB 9081,
PORT VILA.

Dear Ombudsman,

Re: Alleged Improper Handling of a Cheque By Finance Department

In response to your letter of 13th October, 2006 ref: 2496-4015-L25wjt, I wish to comment generally on the procedures of issuing cheques and releasing of cheques if it was to be collected in person. It is the responsibility of the Department of Finance to exercise some common sense of control measures to make sure cheques are released to right persons, such as;

1. The person named on the face of the cheque is the person requesting collection of the cheque in front of the Finance Officer.
2. Finance Officer must not release the cheque to another person without advance notice or written consent of the person, whose name is written on the cheque as "payee".
3. Person collecting the cheque normally signs a receipt for record purposes.
4. In this particular case that you are conducting investigation into, it is obvious that Mr. Jean Cevuads claimed that his cheque was mis-handled by the Finance Department.

Mr. Jean Cevuad must prove his case beyond reasonable doubt that he did not withdraw the money from his account, before any consideration can be given as to whether he deserves to be re-issued another cheque for his gratuity and other entitlements etc.

2/2

I hope the response I made will assist your office to determine the best outcome for this case.

Yours faithfully,



Hon. Willie JIMMY TAPANGA RARUA
Minister of Finance and Economic Management

