

## II Summary of Audit Results

### 1. Audit Results by Category and by Auditee

The total number of cases listed in the Audit Report for FY2022 was 344. Of these, the number of cases which were found not appropriate (Improper/Unreasonable Matters) was 333 and the improper amounts<sup>1</sup> totalled 58,022.14 million yen. (There were also background amounts<sup>2</sup> concerning the problem cases.) The following Table 1 shows the breakdown of the 344 cases by category.

Table 1: Audit Findings by Category

Category	Number of audit cases	Improper amounts (Unit: million YEN)
• Improprieties <sup>(Note 1)</sup>	285	9,763.75
• Presentation of Opinions and/or Demand for Measures <sup>(Note 2)</sup>	20 <sup>(Note 7)</sup>	30,960.72
• Measures Taken <sup>(Note 3)</sup>	28 <sup>(Note 7)</sup>	17,306.15
Total of Improper/Unreasonable Matters	333	58,022.14 <sup>(Note 8)</sup>
• Special Report to the Diet and the Cabinet <sup>(Note 4)</sup>	3	
• Special Report on Audit Requested by the Diet <sup>(Note 5)</sup>	4	
• Report on Specific Matters <sup>(Note 6)</sup>	4	
Grand total	344	

(Note 1) Improprieties: Matters being found, as a result of audit, in violation of the law, Cabinet Order, the approved budget, or being found improper.

(Note 2) Presentation of Opinions and/or Demand for Measures: Matters regarding which the Board has presented its opinions or demanded measures to relevant ministers etc. pursuant to the provisions of Article 34 and 36 of the Board of Audit Act.

(Note 3) Measures Taken: Matters for which the auditee took measures for improvement in response to the findings of the Board.

- (Note 4) Special Report to the Diet and the Cabinet: Matters reported to the Diet and the Cabinet pursuant to the provision of Article 30-2 of the Board of Audit Act.
- (Note 5) Special Report on audits requested by the Diet: Results of audit reported to the Diet regarding matters audited pursuant to the provision of Article 30-3 of the Board of Audit Act based on the request made under the provision of Article 105 of the Diet Law.
- (Note 6) Report on Specific Matters: A report on specific matters which the Board finds necessary to report among audit activities of the Board.
- (Note 7) 9 cases of “Presentation of Opinions and/or Demand for Measures” and “Measures Taken”, in multiple situations, have both improper amounts and background amounts.
- (Note 8) Some cases are counted both as “Improprieties” and “Presentation of Opinions and/or Demand for Measures”. As such duplication is deducted from the total, adding each improper amount does not correspond with the total.

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<sup>1</sup> Improper Amounts: Improper amounts represent any deficiency in the collection of taxes or social insurance premiums to be collected; overpayments for construction or purchases; overpayment of subsidies; amount of credit managed improperly; amount of assets not utilized effectively; and any amount of assets stated improperly in the statements of account and financial statements. The total sum of improper amounts in the Audit Report is sometimes referred to as "the total amount of wasteful expenditure." While the total amount of them tend to be referred as “the total amount of wasteful expenses”, the Board of Audit of Japan does not use the term "wasteful expenses" when explaining the Improper/Unreasonable matters, having in mind that they concern various situations as set forth above.

<sup>2</sup> Background Amounts: Background amounts represent overall amounts of payments or investments etc. regarding matters concerned. Background amounts are presented when improper amounts cannot be calculated for audit cases such as: 1) where the Board finds, as a result of audit, any matters that it finds necessary to be improved with regard to laws and regulations, system or administration; and 2) which the Board reports to draw public attention to project cases of non-realization of investment effect due to problems in project progress caused by policy issues. Besides, the background amounts are not totaled up since the basis for determining the background amounts differ from case to case.

Table 2 shows the breakdown of 333 cases of “Improper/Unreasonable Matters” (Improperities, Presentation of Opinions and/or Demand for Measures and Measures Taken in Table 1) by auditee.

Table 2: Improper/Unreasonable Matters by Category and by Auditee

(unit of monetary amount, million YEN)

Category Auditee	Improperities		Presentation of Opinions and/or Demand for Measures		Measures Taken		Total	
	Cases	Amount	(Note 1) Article/Cases	(Note 2) Amount	(Note 2) Cases	Amount	(Note 2) Cases	(Note 2) Amount
Cabinet Office	12	59.32	(Note 3) ③⑥ 2	(Note 3) 82.36			(Note 3) 14	(Note 3) 141.68
Ministry of Internal Affairs and Communications	20	298.49	(Note 3) ③⑥ 2	(Note 3) 14,647.76	1	134.10	(Note 3) 23	(Note 3) 15,080.35
Ministry of Foreign Affairs	1	13.02	(Note 6) ③⑥ 1	18.63 (16.35)	1	9.08	(Note 6) 3	40.73 (16.35)
Ministry of Finance	1	240.86			2	575.31	3	816.17
Ministry of Education, Culture, Sports, Science and Technology	24	(Note 4) 174.59	③④ · ③⑥ 1	258.69	1	1,640.58	26	(Note 4) 2,073.86
Ministry of Health, Labour and Welfare	146	3,798.56	(Note 6) ③④ 2 (Note 6) ③④ · ③⑥ 1 (Note 6) ③⑥ 2	179.02 (13.63) 98.11 (12,016.64) 1,772.30 (7,604.44)	(Note 6) 3	220.95 (283.44)	(Note 6) 154	(Note 5) 6,060.45 (13.63) (12,016.64) (7,604.44) (283.44)
Ministry of Agriculture, Forestry and Fisheries	18	227.03	(Note 6) ③⑥ 3	13,575.59 (2,779.84) (1,721,224.61)	(Note 6) 2	5,899.36 (1,499.80)	(Note 6) 23	19,701.98 (2,779.84) (1,721,224.61) (1,499.80)
Ministry of Economy, Trade and Industry	5	34.81			(Note 6) 1	3,534.93 (2,821.08)	(Note 6) 6	3,569.74 (2,821.08)

Auditee \ Category	Improprieties		Presentation of Opinions and/or Demand for Measures		Measures Taken		Total	
	Cases	Amount	(Note 1) Article/Cases	(Note2) Amount	(Note 2) Cases	(Note 2) Amount	(Note 2) Cases	(Note 2) Amount
Ministry of Land, Infrastructure, Transport and Tourism	33	1,457.57	㉞ 1	(2,632.40)	(Note 6) 5	1,987.31 (442.98)	(Note 6) 39	3,444.88 (2,632.40) (442.98)
Ministry of the Environment	11	134.53					11	134.53
Ministry of Defense	2	41.74	㉜ 1	135.07	3	600.06	6	776.87
The Okinawa Development Finance Corporation			㉜・㉞ 1	193.19			1	193.19
The Promotion and Mutual Aid Corporation for Private Schools of Japan	3	8.92					3	8.92
East Nippon Expressway Company Limited			㉞ 1	(60,288.39)	1	26.50	2	26.50 (60,288.39)
Central Nippon Expressway Company Limited			㉞ 1	(47,628.86)	1	23.40	2	23.40 (47,628.86)
West Nippon Expressway Company Limited			㉞ 1	(282,434.49)	1	61.20	2	61.20 (282,434.49)
Honshu-Shikoku Bridge Expressway Company Limited			㉞ 1	(22,639.57)			1	(22,639.57)
Japan Pension Service	1	57.00			2	927.91	3	984.91
National Center for University Entrance Examinations					1	70.05	1	70.05
Japan Agency of Maritime Education and Training for Seafarers	1	65.98					1	65.98

Auditee \ Category	Improprieties		Presentation of Opinions and/or Demand for Measures		Measures Taken		Total	
	Cases	Amount	(Note 1) Article/Cases	(Note2) Amount	(Note 2) Cases	Amount	(Note 2) Cases	Amount
New Energy and Industrial Technology Development Organization (NEDO)	1	4.18					1	4.18
Information-technology Promotion Agency, Japan	1	42.90					1	42.90
Organization for Small & Medium Enterprises and Regional Innovation					2	1,495.46	2	1,495.46
Asahikawa Medial University	1	277.03					1	277.03
Osaka University	1	2,801.85					1	2,801.85
Yamaguchi University	1	(Note 4) 4.99					1	(Note 4) 4.99
Hanshin Expressway Company Limited	1	19.99					1	19.99
Japan Post Co., Ltd.					1	99.95	1	99.95
Japan Sewage Works Agency	1	5.30					1	5.30
Total	285	(Note 4) 9,763.75	(Note 3) 20	30,960.72	28	17,306.15	(Note 3) 333	(Note 4) (Note 5) 58,022.14

(Note 1) The cases identified with ㉔ refer to audit findings under Article 34 of the Board of Audit Act, and the cases identified with ㉖ refer to those under Article 36.

(Note 2) The amounts in parentheses are background amounts, which are not totaled since the basis for determining the background amounts differs from case to case.

(Note 3) Although one case involves both the Cabinet Office and the Ministry of Internal Affairs and Communications, the amount has been listed only in the column of the Ministry of Internal Affairs and Communications. In addition, duplication has been eliminated from the total

number of cases.

- (Note 4) Although one case involves both Ministry of Education, Culture, Sports, Science and Technology and Yamaguchi University, duplication has been eliminated from the total amounts.
- (Note 5) Some cases are counted both as “Improprieties” and “Presentation of Opinions and/or Demand for Measures” (related to the emergency comprehensive support grant for COVID-19 (for medical care)(the portion pertaining to the facility development project for infection testing institutions)(refer to 9 page)). As such duplications are deducted from the total, adding each improper amount does not correspond with the total.
- (Note 6) Concerning the categories “Presentation of Opinions and/or Demand for Measures” and “Measures Taken”, 9 cases in total have both improper amounts and background amounts.

## 2. Brief Description of Audit Cases

The following is a brief description of individual cases.

### A Improper/Unreasonable Matters by Ministry or Agency

#### **(1) Cabinet Office**

(Cabinet Office)

Improprieties - Improper execution of and accounting for projects with subsidies or grants:

- a. Excessive billing of cost for projects with subsidies or grants:
  - (a) Excessive billing for the costs for a project for child education and childcare benefit grants
  - (b) Excessive billing for the costs for the project covered by the temporary special benefit subsidies for child-rearing households (temporary special benefits to be provided to child-rearing households (advance payments))
- b. Not eligible for a subsidy or a grant:

Some of the costs for the project covered by the regional revitalization promotion grant were not eligible.
- c. Non-implementation of a part of project  
Non-implementation of a part of the project covered by the regional revitalization promotion grant
- d. Excessive design quantities of works  
Incorrect calculation for the design quantity for waterproofing urethane coating resulted in the contract price higher than the actual price.

Demand for Measures 36 - Calculation of the amount of child education and childcare benefit grants for certified centers for early childhood education and care

#### **(2) Ministry of Internal Affairs and Communications**

Improprieties - Some of the costs for the project for the temporary grant for regional revitalization for COVID-19 were not eligible.

Improprieties - Excessive payment of special allocation tax grant

Improprieties - Excessive payment of special allocation tax grant for post-disaster restoration due to improper cost calculation when calculating tax grant for post-disaster restoration

Presentation of Opinions 36 - Status of use of transmission line facilities installed in the Project on Promoting Advanced Radio Environment Improvements

Measures Taken - Tax credits for special allocation tax grant for expenses required for implementing the host town exchange initiative

#### **(3) Ministry of Foreign Affairs**

Improprieties - Fraud by officials

Presentation of Opinions 36 - Implementation status of grant assistance (Grant Assistance for Grassroots Human Security Projects)

Measures Taken - Procurement of power generators to be installed in residences of staff of diplomatic missions abroad

#### **(4) Ministry of Finance**

**Improprieties** - Cases of deficiency in tax collection

**Measures Taken** – Examination of tax returns regarding basic exemption for income tax filed by residents who received the payment of retirement allowances

**Measures Taken** – Lease of national land for school facilities at lower rent

#### **(5) Ministry of Education, Culture, Sports, Science and Technology**

**Improprieties** - Improper execution of and accounting for projects with subsidies or grants:

- a. Excessive payment of subsidies for the improvement of information equipment for public schools
- b. Excessive State contribution to the cost of compulsory education
- c. Excessive payment of subsidies for the university reform promotion (project to enhance education using digital technologies)
- d. Excessive payment of subsidies for the improvement of information equipment for National Institute of Technology
- e. Excessive payment of subsidies for improvement of private school facilities (the emergency special project for promoting the reinforcement of disaster prevention and other functions)
- f. Improper design of air-conditioning equipment
- g. Excessive payment of grants for improvement of school facilities and the environment
- h. Excessive payment of the extraordinary special grant for responding to block fences and air-conditioners
- i. Excessive payment of subsidies for the project to facilitate utilization of cultural resources

**Demand for Measures ㉔ ㉞** **Presentation of Opinions ㉞** - Implementation of the project to develop public school information and communication network environment facilities

**Measures Taken** - Size of reserve funds based on management expense grants provided to National University Corporations in relation to significant changes in household economy

#### **(6) Ministry of Health, Labour and Welfare**

**Improprieties** - Cases of excess and deficiency in collection of labor insurance premiums

**Improprieties** - Deficiency in collected premiums of health insurance and employees' pension insurance

**Improprieties** - Under a contract agreement concerning the storage, management and distribution of articles procured for the purpose of preventing the spread of COVID-19, while the excessive numbers of packets in which fabric masks were packed were recorded in contract by mistake and excessive expense claims were made, checking was insufficient and subsidies were paid excessively.

**Improprieties** - Improper payment of industrial employment stabilization grant-in-aid under employment insurance

**Improprieties** - Improper payment of human resource development grant-in-aid under employment insurance

**Improprieties** - Improper payment of career enhancement grant-in-aid under employment insurance

**Improprieties** - Improper payment of old-age employees' pension benefits under employees' pension insurance

**Improprieties** - Improper State contribution to medical expenses



Improprieties - Excessive payment of costs for medical consultation fees required for medical benefits under workers' accident compensation insurance

Improprieties - Improper execution of and accounting for projects with subsidies or grants:

- a. Excessive payment of subsidies for securing the outpatient acceptance of fever clinics in the flu season (project to support medical institutions participating in the project to secure structures for care and examinations for outpatients with fever in preparation for the flu season)
- b. Excessive payment of the emergency comprehensive support grant for COVID-19 (for medical care) (the portion for a prevention of COVID-19 spread project)
- c. Excessive payment of the emergency comprehensive support grant for COVID-19 (for medical care) (the portion pertaining to the facility development project for medical institutions hospitalizing COVID-19 patients)
- d. Excessive payment of the emergency comprehensive support grant for COVID-19 (for medical care) (the portion pertaining to the outpatient facility development project for returnees & people having contact with COVID-19 patients)
- e. Excessive payment of the emergency comprehensive support grant for COVID-19 (for medical care) (the portion pertaining to the facility development project for infection testing institutions)
- f. Excessive payment of the emergency comprehensive support grant for COVID-19 (for medical care) (the portion pertaining to medical team (incl. DMAT/DPAT) dispatch project)
- g. Excessive payment of the emergency comprehensive support grant for COVID-19 (for medical care) (the portion pertaining to the COVID-19 intensive medical institution facility development project)
- h. Excessive payment of the emergency comprehensive support grant for COVID-19 (for medical care) (the portion pertaining to the emergency, perinatal & pediatric care system securing project for acceptance of suspected COVID-19 patients)
- i. Unnecessary payment of subsidies for the project to promote medical care provision systems (the portion pertaining to the project to offer daytime support)
- j. Excessive payment of State contribution to medical treatment benefits under national health insurance
- k. Excessive payment of fiscal adjustment grants under the advanced elderly medical service system
- l. Excessive payment of fiscal adjustment grants under national health insurance
- m. Excessive payment of subsidies for the project to take disease prevention measures (the portion pertaining to the project to strengthen functions of core hospitals for collaborative cancer treatment)
- n. Excessive State contribution to specified health checkups and health guidance under national health insurance
- o. Excessive payment of grant for the development of childcare centers
- p. Excessive payment of national subsidies for the restoration of social welfare facilities damaged by disasters
- q. Excessive State contribution to the livelihood assistance subsidy
- r. Excessive State contribution to disability benefits for children with disabilities in living support facilities
- s. Excessive State contribution to medical expenses of people with disabilities
- t. Excessive State contribution to the nursing care benefit

- u. Excessive payment of fiscal adjustment grants under nursing care insurance
- v. Excessive payment of comprehensive grant to support disaster victims

Improprieties - Improper collection of expenses required for paying labor insurance benefits

Improprieties - Improper State contribution to nursing care benefits for elderly persons

Improprieties - Improper State contribution to training benefits included in benefits for services and supports

Improprieties - Improper State contribution to outpatient benefits for children with disabilities

Demand for Measures 34 - Calculation of settled amount of refunds in calculation of the State contribution to the livelihood assistance

Demand for Measures 34 - Payment of introduction support grant for promoting the computerization of procedures for claiming medical expenses regarding workers' accidents

Demand for Measures 34 Presentation of Opinions 36 - Calculation of the amount to be paid as State contribution for specified health checkups conducted by municipalities as an insurer under national health insurance program and the utilization of medical information

Presentation of Opinions 36 - Status of use of next generation sequencers installed using the emergency comprehensive support grant for COVID-19 (for medical care) (the portion pertaining to the facility development project for infection testing institutions)

Presentation of Opinions 36 - Effect of subsidies for health services for the elderly conducted by the Associations of Medical Care Services for Older Senior Citizens and utilization of medical information

Measures Taken - Implementation status of projects covered by the subsidies for the restoration of social welfare corporations damaged by disasters

Measures Taken - Implementation of the project to install negative pressure devices in nursing homes

Measures Taken - Payment of rewards to labor insurance administrative affairs associations

## **(7) Ministry of Agriculture, Forestry and Fisheries**

Improprieties - Violation of accounting laws and regulations of the contract on procurement of domestic pork to be served at the Tokyo Olympic and Paralympic Games athletes' village

Improprieties - With regard to a disaster-related project for forest facilities, as the design based on an estimated work volume was not properly altered in accordance with the actual volume, the contract price was higher than the actual price.

Improprieties - Improper execution of and accounting for projects with subsidies or grants:

- a. Not eligible for a subsidy or a grant:
  - (a) The business continuity support project was not eligible as another government grant has already been received by the beneficiary for other projects.
  - (b) Checking of farm bridges conducted as a seismic resistance inspection in the rural area disaster prevention and mitigation project was not eligible.
  - (c) Some people were granted the investment fund for next-generation agricultural human resources but did not start working as farmers and were not eligible.
  - (d) Some of the costs for the project covered by the grant for agricultural production measures after the Great East Japan Earthquake were not eligible.
- b. Excessive billing of cost for projects with subsidies or grants:
  - (a) Excessive billing for the costs for the project covered by the subsidies for supporting

- expanded utilization of flowers in public facilities
- (b) Excessive billing for the costs for a project that received a grant through a grant project for developing market scale expansion measures toward the sixth industrialization
- c. Improper design of works:
  - Improper design of bed protection work
- e. Excessive estimate of the cost of works:
  - Excessive estimate of the cost of the revetment work
- f. Excessive receipt of subsidies
  - Subsidies for the amount of consumption tax after purchase tax credit were not returned.

Presentation of Opinions ③⑥ Demand for Measures ③⑥ – Implementation of the direct payment grants on utilization of rice paddy fields

Demand for Measures ③⑥ – Maintenance of guard fences installed in the project for forest environment preservation and improvement

Demand for Measures ③⑥ – Measures against flood for agricultural water facilities where emergency power generation systems are installed

Measures Taken – Implementation of the project by using funds created with subsidies for the cost of strengthening dairy and livestock profitability (project to introduce machines)

Measures Taken – Estimate of cost for transporting personnel in a commission contract on crop surveys

#### **(8) Ministry of Economy, Trade and Industry**

Improprieties – Improper execution of and accounting for projects with subsidies or grants:

- a. Excessive payment of subsidies:
  - (a) Excessive payment of subsidies for the restoration cost for common facilities of SME Cooperatives damaged by disasters, due to inappropriate calculation of the upper limit of national subsidies
  - (b) Excessive payment of subsidies for the commissioned work conducted by the use of the subsidies for the support project to promote the introduction of renewable energy in Fukushima Prefecture due to the failure to alter the amount of commission fees despite the altered content of the commissioned work
- b. Improper use of funds created by subsidies:
  - In the project using a fund created with the subsidies for the project to support self-help of disaster-affected businesses, purchased facilities are used for other purposes, and some of the costs for the project covered by the subsidies were not eligible.
- c. Use for purpose other than subsidized objective:
  - Facilities purchased in the project through the receipt of support subsidies for the improvement of management capabilities in the manufacturing, commercial and service industries were used for other purposes.
- d. Excessive billing of cost for projects with subsidies or grants:
  - Excessive billing for the costs for the project covered by the subsidies for management support for SMEs (project to support the strategic enhancement of fundamental technology)

Measures Taken – Requirements for the exclusion from the post adjustment of the granted amount in the project to promote the creation of global demand for content

**(9) Ministry of Land, Infrastructure, Transport and Tourism**

**Improprieties** – Inappropriate separate accounting for the decrease of property value and disposal credit in public indemnity

**Improprieties** – Improper execution of and accounting for projects with subsidies or grants:

- a. Improper design of works:
  - (a) Improper design of foot protection works
  - (b) Improper design of retaining walls
  - (c) Improper design of catch basins
  - (d) Improper design of the bearing portion and abutment of a bridge
  - (e) Improper design of conduits
  - (f) Improper design pertaining to the decision of a site to transport soil arising from construction work
  - (g) Excessive cost of works as a result of improper design of floor slab reinforcement work
  - (h) Improper design of drainage facilities
- b. Not eligible for a subsidy or a grant:
  - (a) Some of the costs for the project covered by the subsidies for promoting the revitalization of and adding high value to existing sightseeing spots were not eligible.
  - (b) Portion of the grant paid by the government for the project for anti-erosion work should not have been received.
- c. Improper procedures for the disposal of property acquired through a project with subsidies  
Improper procedures for the disposal of the site for a city planning road
- d. Improper calculation of subsidized amounts:  
Improper calculation of the cost of projects relating to cheaper rent on public housing

**Improprieties** - Fraud by officials

**Demand for Measures (36)** - Securing of the quake resistance of communications towers and communications stations necessary for maintaining functions of multiplex wireless networks

**Measures Taken** - Implementation status of measures to prevent deterioration of sewerage system facilities

**Measures Taken** - Registration of departure and arrival sites and no-fly zones for air ambulances under the system to share information on flights of unmanned planes

**Measures Taken** - Design of floor slab waterproofing work in bridge construction

**Measures Taken** - Statements of information on underpasses in water damage hazard maps

**Measures Taken** - Estimate of a target price for a contract for dispatching personnel who engage in air traffic controller training as instructors

**(10) Ministry of the Environment**

**Improprieties** - Improper execution of and accounting for projects with subsidies or grants:

- a. Not eligible for a subsidy or a grant:  
Cost incurred for development of facilities in projects with grants for promoting establishment of a sound material-cycle society was not eligible.
- b. Excessive payment of a subsidy or a grant:
  - (a) Excessive payment of a grant for the project for promoting the establishment of a sound material-cycle society as a result of inappropriate calculation of site expenses

- (b) Excessive payment of a grant for the project to curb CO<sub>2</sub> emissions (project to promote introduction of advanced facilities) due to the failure to deduct the proceeds from the sale of iron scraps from the project cost
- c. Unauthorized disposal of property acquired through a project with subsidies  
Unauthorized disposal of facilities developed in the project covered by a subsidy for the project to curb CO<sub>2</sub> emissions
- d. Improper design of works  
The size of the photovoltaic installation was unreasonable and inappropriate and was excessive.
- e. Excessive estimate of the cost of works:  
Excessive estimate of the cost of installing heat pumps in the project covered by a subsidy for the project to curb CO<sub>2</sub> emissions

**(11) Ministry of Defense**

Improprieties - As a result of incorrect calculation for accommodation expenses upon conducting repair work on housing facilities, the contract price was higher than the actual price.

Improprieties - Fraud by officials

Demand for Measures 34 - Settlement pertaining to the provision of services based on the Acquisition and Cross-Servicing Agreement (ACSA)

Measures Taken - Estimate of a target price for security and labor expenses for construction work

Measures Taken - Contract agreement concerning the modification of Type 94 minelayers

Measures Taken - Execution of PBL contracts on the supply of components for minesweeping helicopters and cargo helicopters

(1. Cabinet Office (Cabinet Office), 2. Ministry of Internal Affairs and Communications)

Demand for Measures 36 - Implementation of the project to distribute goods with the temporary grant for regional revitalization for COVID-19

**B Improper/Unreasonable Matters by Entity**

**(1) The Okinawa Development Finance Corporation**

Demand for Measures 34 Presentation of Opinions 36 - Ascertaining of the situation after providing loans for covered housing pertaining to personal home loans in the project to lend housing funds

**(2) The Promotion and Mutual Aid Corporation for Private Schools of Japan**

Improprieties - Improper accounting of subsidies for private universities' current expenses

**(3) East Nippon Expressway Company Limited, (4) Central Nippon Expressway Company Limited, (5) West Nippon Expressway Company Limited, (6) Honshu-Shikoku Bridge Expressway Company Limited**

Presentation of Opinions 36 - Construction methods for reinforcing bridge piers of expressways

((3) East Nippon Expressway Company Limited, (4) Central Nippon Expressway Company Limited, (5) West Nippon Expressway Company Limited)

Measures Taken - Frequency of non-destructive testing for precast concrete floor slabs

**(7) Japan Pension Service**

**Improprieties** - When estimating a target price for a commission contract on security services, per hour labor cost for security guards was calculated incorrectly and the number of hours per day for deploying security guards on weekdays was set excessively, and as a result, the contract price was higher than the actual price.

**Measures Taken** - Estimate of a target price for a contract agreement concerning affairs of receiving national pension premiums

**Measures Taken** - Information security measures for statistics management devices (servers) or other equipment used at call centers of the Japan Pension Service

**(8) National Center for University Entrance Examinations**

**Measures Taken** - Procurement of exam question booklets and listening test equipment for the unified university entrance exam

**(9) Japan Agency of Maritime Education and Training for Seafarers**

**Improprieties** - Upon executing a contract for separating terminals used at the Agency from the internet as information security enhancement measures, the Agency failed to perform required duties appropriately on a timely basis, and as a result, part of the equipment rented for building a separation system remained unused and additional expenses occurred.

**(10) New Energy and Industrial Technology Development Organization (NEDO)**

**Improprieties** - The Organization failed to manage machines and devices that subcontractors purchased or manufactured in commissioned projects as its acquired property, and as a result, suffered a shortage in the proceeds from the sale of its own assets.

**(11) Information-technology Promotion Agency, Japan**

**Improprieties** - Upon payments to the treasury of unnecessary property related to the government's contributions in the account for capital contributions to regional projects, the Agency filed an application that included the amount of dividends from profit and loss transactions, and a decrease of the Agency's capital of the same amount was determined and the relevant notice was issued by the competent Minister, and as a result, it was inappropriate that the amount of capital was understated at the same amount in the Agency's financial statements.

**(12) Organization for Small & Medium Enterprises and Regional Innovation, Japan**

**Measures Taken** - Retention of funds for loans in the project to support development of facilities and equipment of SMEs affected by the Kumamoto Earthquake

**Measures Taken** - Retention of project expenses granted as funds for subsidies for sustaining small businesses

**(13) Asahikawa Medial University, (14) Osaka University**

**Improprieties** - Inappropriate indications in financial statements due to the misunderstanding of the useful life for tangible fixed assets to be applied upon their depreciation

**(15) Yamaguchi University**

Improprieties - Under a contract on the development of students' health checkup support and data management system, the provision of services was not completed due to the failure to appropriately provide information to the contractor as defined in the specifications, but the University had the contractor submit a delivery slip and paid the contract amount in full in violation of its accounting rules, while pretending that the provision of services was completed.

**(16) Hanshin Expressway Company Limited**

Improprieties - In a commission contract on seismic reinforcement and design work, the applied standards for the judgment on the necessity of seismic reinforcement work for bridge piers and the design based on the judgment results were not appropriate, and as a result, the outcome failed to achieve the original purpose, as it became necessary to conduct the work again.

**(17) Japan Post Co., Ltd.**

Measures Taken - Payment of commission fees for the service to sort out packages by delivery area that is contingent to a commission contract on the collections and deliveries of packages

**(18) Japan Sewage Works Agency**

Improprieties - Upon conducting seismic reinforcement work for an aqueduct bridge, the design of the bridge fall prevention system was inappropriate and the safety required in the event of an earthquake was not secured for the box culverts, and the purpose of the work was not achieved.

**C Special Report to the Diet and the Cabinet, and Special Report on audit requested by the Diet, etc.**

**(1) Special Report to the Diet and the Cabinet**

The following reports were submitted to the Diet and the Cabinet prior to the submission of the Audit Report pursuant to the provision of Article 30-2:

- Implementation status of the project to secure sickbeds for COVID-19 patients
- Implementation status of the project for the reconstruction from the Great East Japan Earthquake
- Implementation status of the COVID-19 vaccination project

**(2) Special Report on audit requested by the Diet**

The following reports were submitted to the Diet based on requests from the Diet:

- Status of initiatives toward the Tokyo Olympic and Paralympic Games
- Status of bidding, closing of bids, contract amounts for three projects under the Act on Special Measures Concerning the Handling of Environmental Pollution by Radioactive Materials
- Implementation status of the 3-year emergency measures for preventing and mitigating disasters and building national resilience
- Status of use of the reserve funds

### **(3) Report on Specific Matters**

The Board conducted audits on the following matters which were found necessary to be included in the Audit Report:

- Status of filing of tax returns for sustainability subsidies granted to sole proprietorships
- Initiatives for securing a stable supply of food
- Implementation status of the project for measures to mitigate drastic changes in fuel oil prices
- Status of loan claims pertaining to COVID-19 special loans to SMEs provided by the Japan Finance Corporation and other financial institutions