

II Summary of Audit Results

Audit Results by Category

The total number of cases listed in the Audit Report for FY2015 was 455. Of these, the number of cases which were found not appropriate (Improper/Unreasonable Matters) was 437 and the improper amounts¹ totalled 1,218,941.32 million yen. (There were also background amounts² concerning the problem cases.) The following Table 1 shows the breakdown of the 455 cases by category.

Table 1: Audit Findings by Category

Category	Number of audit cases	Improper amounts (Unit: million YEN)
• Improperities ^(Note 1)	345	17,835.41
• Presentation of Opinions and/or Demand for Measures ^(Note 2)	43 ^(Note 7)	1,160,661.89
• Measures Taken ^(Note 3)	49 ^(Note 7)	40,890.38
Total of Improper/Unreasonable Matters	437	1,218,941.32 ^(Note 8)
• Special Report to the Diet and the Cabinet ^(Note 4)	10	
• Special Report on Audit Requested by the Diet ^(Note 5)	2	
• Report on Specific Matters ^(Note 6)	6	
Grand total	455	

(Note 1) Improperities: 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) 17 cases of “Presentation of Opinions and/or Demand for Measures” and “Measures Taken” have both improper amounts and background amounts.

(Note 8) Some cases are double counted as “Improprieties” and “Presentation of Opinions and/or Demand for Measures”, and “Improprieties” and “Measures Taken”, and some cases are overlapped within “Measures Taken”. As such duplications are deducted from the total, adding of each improper amount does not correspond with total.

¹ 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 asset not utilized effectively; and any amount of assets stated improperly in the statements of account and the financial statements.

² Background Amounts: Background amounts represent overall amounts of payments or investments etc. regarding the matters concerned. Background amounts are presented when improper amounts cannot be calculated for such audit cases as: 1) where the Board finds, as an audit findings, 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.

1. Improper/Unreasonable Matters by Category and by Auditee

Table 2 shows the breakdown of 437 cases of Improper/Unreasonable Matters by category and by auditee.

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

(unit of monetary amount, million YEN)

Category Auditee	Improprieties		Presentation of Opinions and/or Demand for Measures (Note 2)		Measures Taken (Note 2)		Total (Note 2)	
	Cases	Amount	Article (Note 1) /Cases	Amount	Cases	Amount	Cases	Amount
Diet (National Diet Library)					1	931.73	1	931.73
Cabinet (Cabinet Secretariat)			③④ 1	34.68			1	34.68
Cabinet Office (Cabinet Office)	3	24.45	③④ 2	6,944.31			5	6,968.76
Cabinet Office (National Police Agency)	1	135.21			(Note 7) 1	367.85 (1,052.60)	(Note 7) 2	503.06 (1,052.60)
Cabinet Office (Financial Services Agency)			③⑥ 1	1,096,400			1	1,096,400
Ministry of Internal Affairs and Communications	11	165.83	③⑥ 1	116.52			12	282.35
Ministry of Justice	2	160.75			1	28.39	3	189.14
Ministry of Foreign Affairs	1	15.82	(Note 3) (Note 7) ③⑥ 1	(Note 3) 5.11 (32,133.40)			(Note 3) (Note 7) 2	(Note 3) 20.93 (32,133.40)
Ministry of Finance	1	276.47					1	276.47
Ministry of Education, Culture, Sports, Science and Technology	24	332.77	③④ 1 (Note 7) ③④ • ③⑥ 1 ③⑥ 1	436.33 207.88 (14,417.74) 1,220.37	(Note 7) 2	564.84 (33,823.69)	(Note 7) 29	(Note 6) 2,757.17 (14,417.74) (33,823.69)
Ministry of Health, Labour and Welfare	177	4,827.55	③④ 1 (Note 7) ③④ • ③⑥ 1 ③⑥ 4	15.38 528.54 (5,835.71) 27,376.95 (4,127.10)	(Note 4) 2	(Note 4) 1,121.06	(Note 4) (Note 7) 185	(Note 4) (Note 6) 33,777.52 (5,835.71) (4,127.10)
Ministry of Agriculture, Forestry and Fisheries	(Note 5) 28	(Note 5) 370.53	③④ 3 (Note 7) ③⑥ 5	415.50 2,703.15 (17,758.77) (1,224.66) (1,782.15)	(Note 7) 4	17,896.08 (6,228.07) (526,584.20)	(Note 7) 40	(Note 6) 21,363.40 (17,758.77) (1,224.66) (1,782.15) (6,228.07) (526,584.20)
Ministry of Economy, Trade and Industry	11	212.45			1	92.79	12	305.24

Auditee	Category		Presentation of Opinions and/or Demand for Measures		Measures Taken		Total		
	Improprieties		(Note 2)		(Note 2)		(Note 2)		
Ministry of Land, Infrastructure, Transport and Tourism	46	8,976.34	(Note 7) ③4	3	9,906.57 (1,125.50)	9	8,100.48 (1,731.45)	(Note 7) 61	(Note 6) 26,658.39 (1,125.50) (6,914.96) (78,193.60) (6,865.52) (1,731.45)
			③6	3	(6,914.96) (78,193.60) (6,865.52)				
Ministry of the Environment	6	97.52	③4	1	4,672.24	2	1,109.43	9	5,879.19
Ministry of Defense	3	97.43	③4	1	7,608.74	(Note 7) 9	4,388.83 (9,343.72) (116.09) (3,171.03) (117.95)	(Note 7) 13	(Note 6) 12,094.10 (9,343.72) (116.09) (3,171.03) (117.95)
Promotion and Mutual Aid Corporation for Private Schools of Japan	4	7.35	(Note 7) ③6	1	198.13 (283.08)			(Note 7) 5	205.48 (283.08)
Tokyo Metro Co., Ltd.						1	97.50	1	97.50
East Nippon Expressway Company Limited			③6	1	(119,232.54)	(Note 7) 2	28.39 (364.79)	(Note 7) 3	28.39 (119,232.54) (364.79)
Central Nippon Expressway Company Limited			③6	1	(193,265.84)	(Note 7) 2	73.10 (572.57)	(Note 7) 3	73.10 (193,265.84) (572.57)
West Nippon Expressway Company Limited			③6	1	(221,369.01)	(Note 7) 1	14.83 (992.30)	(Note 7) 2	14.83 (221,369.01) (992.30)
Honshu-Shikoku Bridge Expressway Company Limited			③6	1	(3,017.25)			1	(3,017.25)
Japan Post Holdings Co., Ltd.			③4	1	8.70			1	8.70
Japan Health Insurance Association	1	16.75						1	16.75
Japan Pension Service	1	7.84				(Note 4) 2	(Note 4) 55.29	(Note 4) 3	(Note 4) 63.13
National Research Institute for Earth Science and Disaster Resilience						1	10.91	1	10.91
Japan agency of Maritime Education and Training for Seafarers	1	2.50						1	2.50
Agriculture & Livestock Industries Corporation	2	28.94				1	17.58	3	(Note 6) 44.92
Japan International Cooperation Agency	1	2.60	(Note 3) ③6	2	(Note 3) (9,125.13)	(Note 7) 1	14.96 (72,977.77)	(Note 3) (Note 7) 4	(Note 3) 17.56 (9,125.13) (72,977.77)
Japan Aerospace Exploration Agency						1	10.42	1	10.42

Auditee	Category		Presentation of Opinions and/or Demand for Measures		Measures Taken		Total	
	Improperities			(Note 2)		(Note 2)		(Note 2)
Japan Sports Council	2	13.29					2	13.29
Japan Railway Construction, Transport and Technology Agency					1	14.57	1	14.57
Japan Labour Health and Welfare Organization	1	32.37					1	32.37
Urban Renaissance Agency	1	8.98					1	8.98
Japan Atomic Energy Agency			③⑥	1,539.69	1	1,324.96	2	2,864.65
Japan Community Health care Organization					1	666.35	1	666.35
Japan Housing Finance Agency					1	3,093.29	1	3,093.29
Asahikawa Medical University	1	1,891.83					1	1,891.83
Hirosaki University	1	8.43					1	8.43
Iwate University	1	5.21					1	5.21
University of Tsukuba	1	5.06					1	5.06
Saitama University	1	6.77					1	6.77
Kanazawa University	1	3.32					1	3.32
Hamamatsu University School of Medicine	1	4.16					1	4.16
Mie University	1	3.57					1	3.57
Kyoto University			(Note 7) ③④	42.39 (223.81)			(Note 7) 1	42.39 (223.81)
Tottori University	1	10.02					1	10.02
Shimane University	1	4.35					1	4.35
Hiroshima University	1	40.30					1	40.30
Saga University	1	5.41					1	5.41
Nagasaki University	1	10.25					1	10.25
University of Miyazaki	1	3.51					1	3.51

Auditee / Category	Improprieties		Presentation of Opinions and/or Demand for Measures (Note 2)		Measures Taken (Note 2)		Total (Note 2)	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Japan Advanced Institute of Science and Technology	1	13.73					1	13.73
Research Organization of Information and Systems	1	3.88					1	3.88
Metropolitan Expressway Company Limited			③⑥	1 (36,205.25)			1	(36,205.25)
Hanshin Expressway Company Limited			③⑥	1 (19,712.57)	(Note 7)	1 17.73 (88.75)	(Note 7)	2 17.73 (19,712.57) (88.75)
NTT Communications Corporation						1 849.03	1	849.03
Japan Post Co., Ltd.			③④	1 280.71			1	280.71
Farmers Pension Fund	1	1.68					1	1.68
Total	345	17,835.41	(Note 3)	43 1,160,661.89	(Note 4)	49 40,890.39	(Note 3) (Note 4)	437 1,218,941.33 (Note 6)

(Note 1) The cases identified with ③④ refer to audit findings under Article 34 of the Board of Audit Act, and the cases identified with ③⑥ 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 Ministry of Foreign Affairs and the Japan International Cooperation Agency, the amount has been listed only in the column of the Ministry of Foreign Affairs. In addition, duplication has been eliminated from the total number of cases.

(Note 4) Although one case involves both the Ministry of Health, Labour and Welfare and the Japan Pension Service, the amount has been listed only in the column of the Ministry of Health, Labour and Welfare. In addition, duplication has been eliminated from the total number of cases.

(Note 5) “Improprieties” of the Ministry of Agriculture, Forestry and Fisheries include two cases categorized as both “services/subsidies” and “subsidies,” and created overlapping cases and amounts are deducted for the purpose of calculating the number of cases and the total amount.

(Note 6) Some cases are double counted as “Improprieties” and “Presentation of Opinions and/or Demand for Measures”, and “Improprieties” and “Measures Taken”, and some cases are overlapped within “Measures Taken”. As such duplications are deducted from the total, adding of each improper amount does not correspond with total.

(Note 7) Concerning the categories “Presentation of Opinions and/or Demand for Measures” and “Measures Taken”, 17 cases in total have both improper amounts and background amounts.

A Improper/Unreasonable Matters by Ministry/Agency

(1) Diet

(National Diet Library)

Measures Taken -Purchase of foreign periodical publications.

(2) Cabinet

(Cabinet Secretariat)

Demand for Measures ③4 – Management of goods at the Cabinet Secretariat and the Cabinet Office.

(3) Cabinet Office

(Cabinet Office)

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

- a. Improper equipment design
Improper design of solar energy electric dosimeter introduced under the grant project for nuclear power plant emergency safety measures.
- b. Improper use of funds created by grants
Excessive billing of expenses of the project implemented using funds created by the grant for local community work opportunity creation programs.
- c. Not eligible for a subsidy
A part of expenses funded by the community child care support centers project was not eligible for a subsidy.

Demand for Measures ③4 - Calculation of national subsidy under the community child care support centers project.

Demand for Measures ③4 - Management of goods at the Cabinet Secretariat and the Cabinet Office.

(National Police Agency)

Improprieties - Improper financial management related to contracted research.

Measures Taken - Sales of rotorcraft discontinued for use and management of its equipment.

(Financial Services Agency)

Presentation of Opinions ③6 - Retained earnings of the Account for Early Strengthening of Financial Functions of the Deposit Insurance Corporation of Japan.

(4) Ministry of Internal Affairs and Communications

Improprieties - Procurement of unnecessary licenses.

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

- a. Excessive payment of grant under the regional economic circulation creation project.

- b. A project funded by the extraordinary grant for heightening regional vitality was partially ineligible for such grant.
- c. Excessive payment of the social security and tax number system development subsidy.
- d. A part of expenses funded by the grant for developing/utilizing regional human resources versed in information communication technology was not eligible for such grant.
- e. A part of expenses subsidized by the regional public network improvement project was not eligible for such subsidy.
- f. Excessive payment of the radio shielding measures project subsidy.
- g. Excessive billing of the emergency fire-fighting assistance team facility improvement subsidy.

Demand for Measures 36 - Report necessary for the calculation of the grants for municipalities where national facilities for specified purposes are located.

(5) Ministry of Justice

Improprieties - Excessive procurement of licenses necessary for use of groupware.

Improprieties - Improper management of raw materials procured for goods to be produced by inmates.

Measures Taken - Payment of medical expenses to outside medical institutions for medical treatment of inmates.

(6) Ministry of Foreign Affairs

Improprieties - Excessive payment for packing service of diplomatic shipments.

Presentation of Opinions 36 - The effect of official development assistance.

(7) Ministry of Finance

Improprieties - Cases of excess and deficiency in tax collection.

(8) Ministry of Education, Culture, Sports, Science and Technology

Improprieties - Excessive payment for fee for entrusted work related to the 2020 target age development project.

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

- a. Excessive grants to cover non-collectible tuition fees at public high schools.
- b. Excessive State contribution to the cost of compulsory education.
- c. Excessive payment of subsidies for improvement of research facilities at private universities.
- d. Excessive payment of subsidies for improvement of private schools facilities (educational devices).

- e. Excessive payment of the culture and art promotion subsidy (for regional culture and art creation promotion initiative).
- f. Excessive payment of the culture and art promotion subsidy (for regional revitalization initiative utilizing cultural heritage).
- g. Excessive payment of grants under the grant for improvement of school facilities and the environment.
- h. Excessive payment of subsidies for improvement of private school facilities (private kindergarten facility improvement expenses).

Demand for Measures 34 - Calculation of the amount of the expenses for school lunch facility projects under the grant for environmental improvement of school facilities.

Demand for Measures 34 **Presentation of Opinions 36** - Determination of eligibility for receiving the high school enrollment assistance grant.

Presentation of Opinions 36 - Joint use of research facilities owned by national university corporations.

Measures Taken - Financial management of the culture and art promotion subsidy (for regional revitalization initiative utilizing cultural heritage).

Measures Taken - Review of remodeling ratio for reporting the results of the large-scale remodeling project (old buildings).

(9) 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 - Improper payment for employment adjustment subsidies under employment insurance.

Improprieties - Improper payment for subsidies for development of employment for specified jobseekers.

Improprieties - Improper payment for unemployment benefits under employment insurance.

Improprieties - Improper payment for old-age employees' pension benefits under employees' pension insurance.

Improprieties - Improper State contribution to medical expenses.

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

- a. Excessive payment of State contribution to medical treatment benefits under national health insurance.
- b. Excessive payment for fiscal adjustment grants under national health insurance.
- c. Projects implemented using a fund created by the extraordinary special grant for the emergency human resource development and employment support fund were not eligible for such grant.
- d. Excessive billing for projects eligible for a State contribution including contributions to the cost of child protection.
- e. Excessive use of funds in projects implemented using funds created by extraordinary special grants for childcare support.

- f. Excessive payment for the State contribution to livelihood assistance subsidy.
- g. Excessive State contribution to the livelihood protection subsidy (the portion that relates to the State contribution to administrative expenses of protection facilities).
- h. Excessive payment of disabled people sports promotion subsidy.
- i. Excessive State contribution to benefits for supporting disabled people's self-reliance.
- j. Excessive State contribution to medical expenses for disabled people.
- k. Excessive payment for the State contribution to the nursing care benefit.
- l. Excessive State contribution to ordinary adjustment grants for nursing care insurance.
- m. Non-refund of grants made relating to consumption tax withheld from relevant purchase on the projects implemented using the fund created by extraordinary special grants for urgent development of nursing care infrastructure.
- n. Use of the funds for unintended purposes in the projects implemented using the fund created by extraordinary special grants for projects for urgent job creation and special grants for recreation of employment in hometowns.
- o. Excessive billing of expenses funded by the work injury prevention measures subsidy.
- p. Excessive subsidy payment for projects promoting plan for after-school children's clubs.
- q. Excessive subsidy payment for promotion of childcare.

Improprieties - Improper State contribution to elderly nursing care benefits under nursing care insurance.

Improprieties - Improper State contribution to nursing care benefits included in benefits for self-reliance support.

Demand for Measures 34 - Calculation of state subsidy under the community child care support centers project.

Demand for Measures 34 **Presentation of Opinions 36** - Management of the day work jobseekers benefit system.

Presentation of Opinions 36 - Amount of fund retained for the implementation of the livelihood welfare fund loan project.

Presentation of Opinions 36 - Calculation of the amount of the community support program grant.

Demand for Measures 36 - Treatment of additional expenses payable to medical institutions in relation to the calculation of the amount of State contribution to medical treatment benefits under national health insurance.

Demand for Measures 36 - Management of reimbursement claims arising from industrial accidents caused by third parties.

Measures Taken - Portion of amount of meal expenses payable by users for national rehabilitation support facilities.

Measures Taken - Management of refund claim arising from inadvertent payment of pension benefits.

(10) Ministry of Agriculture, Forestry and Fisheries

Improprieties - Unreasonably high contract amount of new forest road construction work.

Improprieties - Excessive amount of payment of outsourcing expenses and subsidies.

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

- a. Cases where funds created by subsidies or grants were improperly used:
 - (a) Excessive billing in projects implemented using the fund created by subsidies for accelerated forest improvement and regeneration of forest industry.
 - (b) Excessive payment of subsidies for a project implemented based on fund created by the subsidies for project for promotion of the sixth industry to revitalize agriculture and rural areas.
 - (c) Improper design of main pump board installed at the pump station.
 - (d) Subsidy under benefits for youth engaged in agriculture project was not eligible for such subsidy.
- b. Not eligible for a subsidy:
 - (a) A part of expenses funded by the agricultural, forestry and fishery products export promotion assistance project was not eligible for such subsidy.
 - (b) A part of expenses funded by development assistance projects such as the forest environment conservation project was not eligible for such subsidy.
 - (c) Expenses for a project not completed within the fiscal year was not eligible for grant under the program to accelerate development of innovative technologies for agricultural, forestry and fishery sectors.
 - (d) A part of expenses funded by the Great East Japan Earthquake agricultural production grant program was not eligible for such subsidy.
 - (e) A part of expenses funded by the regional biomass industrialization project was not eligible for such subsidy.
- c. Improper calculation of the amount granted under a subsidy:
 - (a) Improper calculation of subsidies for projects for promoting improvement of agricultural infrastructure.
 - (b) Improper calculation for compensation of relocation of water sewage pipes.
- d. Subsidized objective not achieved:
 - (a) A farm pond failed to achieve the objective of the subsidy.
 - (b) An electronic tender system funded by the resilient fishery development grant project failed to achieve the objective of the subsidy.
- e. Improperly designed and executed works:

Improper design and construction of wooden buildings.
- f. Improperly designed works:
 - (a) Improper design of production and outlet facilities for agricultural, forestry and fishery products.
 - (b) Improper design of a component panel installed at the pump station.
- g. Improperly executed works:

Improper construction of dust collection facility.
- h. Excessive billing for subsidized project cost:

Excessive billing of subsidy in relation to the amount of consumption tax withheld from relevant purchase.

Improprieties - Excessive payment of compensation of relocation of water sewage pipes.

Demand for Measures 34 - Calculation of compensation for relocation of existing public facilities for the implementation of the agriculture and rural area development project.

Demand for Measures 34 - Calculation of expenses for lumbering and yarding works for selling standing trees as a part of the state-owned forestry businesses.

Demand for Measures 34 - Establishment of a subsidy unit price for injection of pesticide in trees for the forest disease and pest prevention project.

Presentation of Opinions 36 - Scope of subsidized construction work and adoption criteria of project under the wooden public buildings construction program.

Demand for Measures 36 - Effect of project for creation of TMR center funded by the resilient agriculture development grant project.

Demand for Measures 36 - Setting business performance improvement target for the business fostering assistance project and verification of achievement of such target.

Demand for Measures 36 - Implementation of the urban and rural areas cohabitation and interaction project.

Demand for Measures 36 - Maintenance and management of fishing port facilities under the functional preservation project.

Measures Taken - Reimbursement claim to TEPCO for decontamination works implemented for the forest decontamination experimental project.

Measures Taken - Payment of fixed-amount subsidy for project for promoting improvement of agricultural infrastructure.

Measures Taken - Seismic-proof examination for water pumping station as an agricultural water facility.

Measures Taken - Scope of facilities eligible for the sixth industry network activity grant.

(11) Ministry of Economy, Trade and Industry

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

- a. Improper use of funds created by subsidies:
 - (a) Excessive billing and ineligibility for subsidy in relation to project implemented by the fund created by the subsidy for soliciting businesses for creation of job opportunity for areas affected by tsunami and nuclear accident.
 - (b) Project implemented using the fund created by subsidies for the SME and small businesses artisanship prototype development assistance was not eligible for a subsidy.
 - (c) Project implemented using the fund created by subsidy was not eligible for a subsidy.
- b. Excessive billing for subsidized project cost:
 - (a) Excessive billing for the cost of subsidized project funded by the SME cooperatives joint-use facilities disaster recovery subsidy.

- (b) Excessive billing for part of the cost of the subsidized project for demonstration of the next-generation energy and social system.
- (c) Excessive billing for the cost of subsidized project for assisting the SMEs artisanship product development.
- (d) Excessive billing for the cost of subsidized project for assisting the agriculture, commerce and industry collaboration measures.
- c. Not eligible for a subsidy:
 - (a) Ineligibility for subsidy in relation to expenses of facility installation project under the recyclable thermal energy provider assistance project.
 - (b) Ineligibility for subsidy in relation to device development expenses under the SME and small business collaboration promotion assistance (new collaboration assistance) project.
 - (c) Ineligibility for subsidy in relation to a part of expenses funded by the SME partnerships joint-use facilities disaster recovery subsidy.

Measures Taken - Payment of the subsidy for small business sustainability.

(12) Ministry of Land, Infrastructure, Transport and Tourism

Improprieties - Improper financial management of refund of the deposit under the disaster recovery housing loan emergency measures subsidy.

Improprieties - Improper design of displacement limitation structure installed on an existing bridge.

Improprieties - Improper design of an expanded bridge seat part of an existing bridge.

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

- a. Improper design of work:
 - (a) Improper design of earthquake-resistant reinforcement work of existing bridges.
 - (b) Improper design of wooden facilities including public housing.
 - (c) Improper design of burial work of a drain with an oblong cross-section.
 - (d) Improper design of a drain with an oblong cross-section.
 - (e) Improper design and management of vegetation.
 - (f) Improper design of rain water drainage pipes.
 - (g) Improper selection of carbon fiber sheets for bridge reinforcement work.
 - (h) Improper design of light-weight embankment.
- b. Excessive amount of subsidy:
 - Non-refund of grants made relating to consumption tax withheld from relevant purchase.
- c. Improper calculation of subsidized amounts:
 - (a) Improper calculation of compensation for building relocation.
 - (b) Excessive grant payment due to the improperly calculated cost of a subsidized project.
 - (c) Improper calculation of the cost of re-acquisition of land.
 - (d) Improper calculation of the land acquisition cost for expanding width of a road.

- d. Work executed not in conformity to its design
Discrepancy of actual construction and design of public housing.
- e. Improper planning:
 - (a) Improperly planned improvement of the key station of disaster prevention administrative radio system.
 - (b) Disaster prevention and safety grant project, “sewer”, was improper due to lack of plan on removal of existing pipes.
- f. Insufficient amount of payment to the national treasury
Insufficient amount of payment to the national treasury for the proceeds of selling electricity generated for dam management.
- g. Use of subsidized items for purpose not intended by subsidy
Use of a forklift not for the intended purpose of the regional self-imposed strategy grant.
- h. Improper execution of work
Improper execution of elastic rubber pavement work for park square development.

Demand for Measures 34 - Recording of telecommunication equipment obtained in relation to road project, river project and sediment control project on goods management books.

Demand for Measures 34 - Development of disaster prevention information communications networks in the City Disaster Prevention Synthesis Promotion Project.

Demand for Measures 34 - Identification of business operators in charge of designing and construction of wooden public housing.

Presentation of Opinions 36 - Annual interest rate applicable to calculation of construction expenses under the cable utility tunnel construction project.

Presentation of Opinions 36 - Implementation of project for addressing the issue of the new overpopulated urban area.

Presentation of Opinions 36 - Method of calculation and examination of the amount of subsidy for remote island ferry service expenses.

Measures Taken - Earthquake-resistant reinforcement work of an existing bridge.

Measures Taken - Carbon fiber sheets for bridge reinforcement work.

Measures Taken - Service of publication of reference information on newspapers.

Measures Taken - Placing order for additional work in case where the tendering for the government building construction and repair work failed.

Measures Taken - Construction for installation of a drain with an oblong cross-section associated with road recovery.

Measures Taken - Grants for municipalities where State-owned assets are located in relation to fixed asset to be used for an airport.

Measures Taken - State of implementation of maintenance and management of volcano monitoring devices.

Measures Taken - Management of temporary goods.

Measures Taken - Security measures at important international pier facilities.

(13) Ministry of the Environment

Improprieties - Discrepancy between the construction of column base and the design in construction work for screening facilities.

Improprieties - Improper contracts for event planning in relation to international conferences.

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

- a. Improper use of funds created by subsidies
Improper design of facilities and excessive billing of cost for the project executed using the fund for promoting renewable energy.
- b. Not eligible for a subsidy
Part of the cost of the subsidized project for Establishing a Sound Material-Cycle Society was not eligible for a subsidy.

Demand for Measures ③4 - Construction of temporary storage for decontamination project.

Measures Taken - Securing of earthquake-resistance of radiation monitoring telemeter system.

Measures Taken - Procurement of equipment in entrusted services.

(14) Ministry of Defense

Improprieties - Improper design of embankment around the ammunition storage.

Improprieties - Improper management of supplies for air-cushioned craft.

Improprieties - Misappropriation of goods by an employee.

Demand for Measures ③4 - Prices of vessels to be recorded in the national property register.

Measures Taken - Renewal of friends or foes identifier for CH-47J transportation helicopter.

Measures Taken - Medical devices installed at the Self-Defense Force hospitals.

Measures Taken - Procurement of components for warning and control radar devices.

Measures Taken - The contracted power in the power demand-supply contracts of the Maritime Self-Defense Force and the Air Self-Defense Force.

Measures Taken - Calculation of the cost estimation for jig and tool purchasing costs and technology transfer costs.

Measures Taken - Status of installation and use of ammunition storage.

Measures Taken - Management of maintenance equipment for rotorcrafts to be used for escort ships.

Measures Taken - Disposal of air frame of special transport helicopter AS-332L.

Measures Taken - Installation of submarine personal evacuation device onto submarines.

B Improper/Unreasonable Matters by Entity

(1) Promotion and Mutual Aid Corporation for Private Schools of Japan

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

Presentation of Opinions ③6 - Treatment of special subsidy for admission of adults in the subsidies for private universities' current expenses.

(2) Tokyo Metro Co., Ltd.

Measures Taken - Calculation of construction price.

(3) East Nippon Expressway, (4) Central Nippon Expressway

Measures Taken - Inspection of a horizontal punching shear of hooting.

((3) East Nippon Expressway, (4) Central Nippon Expressway), (5) West Nippon Expressway, (6) Honshu-Shikoku Bridge Expressway, (7) Metropolitan Expressway, (8) Hanshin Expressway

Demand for Measures ③⑥ - Review of suspension of application of discount service for large amount and frequent users, in relation to users who committed violations of road-related laws and regulations.

((3) East Nippon Expressway, (4) Central Nippon Expressway, (5) West Nippon Expressway, (8) Hanshin Expressway)

Measures Taken - Design of noise barrier construction.

(9) Japan Post Holdings Co., Ltd., (10) Japan Post Co., Ltd.

Demand for Measures ③④ - Use of a new service for the Postal advanced NETWORK system.

(11) Japan Health Insurance Association

Improprieties - Improper adjustment to the payment of the injury and illness benefits, in parallel with the payment of the disability employee's pension.

(12) Japan Pension Service

Improprieties - Excessively high rent of a warehouse rented for storage of documents.

Measures Taken - Management of claims for refunds due to over or error payment of pension benefits.

Measures Taken - Lease contract for a warehouse used for storage of documents.

(13) National Research Institute for Earth Science and Disaster Resilience, (14) Japan Aerospace Exploration Agency

Measures Taken - Subscription contract for academic journals provided in electronic media.

(15) Japan agency of Maritime Education and Training for Seafarers

Improprieties - Failure to achieve the intended purpose, as the LL function introduced has not been used at all.

(16) Agriculture & Livestock Industries Corporation

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

a. Not eligible for subsidy

A part of expenses for breeding cows funded under the core breeder fostering and promotion project was not eligible for such incentive.

- b. Excessive billing for subsidized project cost
Excessive billing of expenses funded by the dairy management stabilization support helper project.

Measures Taken - Expenses of dispatching helpers for the dairy management stabilization support helper project.

(17) Japan International Cooperation Agency

Improprieties - Improper procurement of materials and equipment for Follow-up Cooperation activities.

Presentation of Opinions ③⑥ - Implementation of the project for accepting training participants in Technical Cooperation.

Presentation of Opinions ③⑥ - The effect of official development assistance.

Measures Taken - Management of granted fund for grant aid.

(18) Japan Sports Council

Improprieties - Comparatively high contract price for the work to relocate a wall painting of the national stadium.

Improprieties - Rent for headquarters office has not been collected.

(19) Japan Railway Construction, Transport and Technology Agency

Measures Taken - Procurement of copying machine.

(20) Japan Labour Health and Welfare Organization

Improprieties - Improper contracting procedures in hospital room unit contract.

(21) Urban Renaissance Agency

Improprieties - Excessive amount of compensation for relocation of buildings.

(22) Japan Atomic Energy Agency

Demand for Measures ③⑥ - Nuclear fuel handling tax on storage of highly radioactive effluent.

Measures Taken - Agency's burden of remuneration for employees dispatched from other organizations.

(23) Japan Community Health care Organization

Measures Taken - Negotiated contracts without competition for purchasing goods for hospitals.

(24) Japan Housing Finance Agency

Measures Taken - Review of the amount of government contribution.

(25) Asahikawa Medical University

Improprieties - Improper financial management for procurement of pharmaceuticals to be used at the university hospital.

(26) Hirosaki University, (27) Iwate University, (28) University of Tsukuba, (29) Saitama University, (30) Kanazawa University, (31) Hamamatsu University School of Medicine, (32) Mie University, (33) Tottori University, (34) Shimane University, (35) Hiroshima University, (36) Saga University, (37) Nagasaki University, (38) University of Miyazaki, (39) Japan Advanced Institute of Science and Technology, (40) Research Organization of Information and Systems

Improprieties - Improper financial management for procurement of synthetic DNA products.

(41) Kyoto University

Demand for Measures ③④ - Review of consignment contract for management of parking for university employees.

(42) NTT Communications Corporation

Measures Taken - Procurement of computer room air-conditioners.

(43) Farmers Pension Fund

Improprieties - Improper payment of management transfer pension in the former farmers' pension fund projects.

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

A 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:

- State of implementation of policy evaluation by government ministries, agencies and other organizations.
- Efforts toward securing their own income by independent administrative agencies and national university corporations.
- State of implementation of projects funded by the comprehensive grant for social infrastructure development.
- Business condition of Hokkaido Railway Company, Shikoku Railway Company and Kyushu Railway Company.
- State of development of facilities for nuclear disaster countermeasures.
- Business condition of Japan Post Group.
- State of implementation of rice production adjustment measures.
- Operation of university hospitals established by national university corporations.

- State of consignment to private sectors by independent administrative agencies.
- State of development and operation of the Government Shared Platform for integration and consolidation of government's information systems.

B Special Report on audit requested by the Diet

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

- State of implementation of the Long-Term Care Insurance System.
- State of implementation of reconstruction and rehabilitation projects after the Great East Japan Earthquake.

C Report on Specific Matters

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

- State of execution of supplementary budget.
- Depreciation cost under the Income Tax Act on used buildings located outside Japan.
- State of improper chemical grouting work for earthquake-proofing construction of runways.
- Impact of quantitative and qualitative monetary easing on the financial position of the Bank of Japan.
- State of group management of East Nippon, Central Nippon and West Nippon Expressway Co., Ltds.
- Indemnity agreements of the Urban Renaissance Agency in Chiba New Town Project.