

**Head 275 - District Secretariat –Polonnaruwa
Report of the Auditor General Year 2013**

1.1 Main Activities of the District Secretariat

- (a) Fulfillment of Authorities and Responsibilities vested through Statutory Ordinances and Acts.
- (b) Ensure Implementation of Government main Development Programmes and Development Projects (Samurdhi and Decentralized Programmes) in compliance with Government directions, instructions and guidance.
- (c) Functioning as the District Agent of the Government
- (d) Coordination of Elections
- (e) Practical involvement and taking action when natural and other disasters and distresses occurred in the District.

1.2 Divisional Secretariats under the District Secretariat

- (a) Thamankaduwa
- (b) Hingurakgoda
- (c) Medirigiriya
- (d) Lankapura
- (e) Dimbulagala
- (f) Welikanda
- (g) Elahera

1.3 Scope of Audit

The audit of the Appropriation Account including the financial records, reconciliation statements, books, registers and other records of the District Secretariat – Polonnaruwa for the year ended 31 December 2013 was carried out in pursuance of provisions of Article 154 (1) of the Democratic Socialist Republic of Sri Lanka. The Management Audit Report for the year under review was issued to the District Secretary on 20 November 2014. The audit observations, comments and findings on the accounts and the reconciliation statements were based on a review of the accounts and reconciliation statements presented to audit and tests of samples of transactions. The scope and extent of such review and tests were such as to enable as wide audit coverage as possible within the limitations of staff, other resources and time available to me.

1.4 Responsibility of the Chief Accounting Officer and the Accounting Officer for the Accounts and Reconciliation statements

The Chief Accounting Officer and the Accounting Officer are responsible for the maintenance, preparation and fair presentation of the Appropriation Accounts, the Revenue account and the Reconciliation Statements in accordance with the provisions of Articles 148,149,150 and 152 of

the Democratic Socialist Republic of Sri Lanka, other statutory provisions and Public Financial and Administrative Regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Accounts and Reconciliations Statements that are free from material misstatements whether due to fraud or error.

1.5 Audit Observations

According to the Financial Records and books for the year ended 31 December 2013, it was observed that except for the effects of the general observations appearing at (a) to (e) and major audit findings appearing in paragraphs 1.6 to 1.14 herein, The Appropriation Account, and the reconciliation statements of the District Secretariat Polonnaruwa had been prepared satisfactorily.

(a) Non-maintenance of Registers and Books

In sample checks it was observed that, while the following registers had not been maintained by the District Secretariat and the 05 Divisional Secretariats, and that certain registers had not been properly maintained and updated.

Office	Type of Register	Relevant Regulations	Observation
Thamankaduwa Divisional Secretariat	Register of Advances	F.R. 371	Not maintained
Dimbulagala Divisional Secretariat	Fixed Assets Register relating to computers	Circular No. IAI/2002/02 dated 30 November 2012	Not maintained
Welikanda Divisional Secretariat			
Thamankaduwa Divisional Secretariat			
Welikanda Divisional Secretariat	Fixed Assets Register	Format 287 in Schedule 03 of Financial Regulations	Not maintained
Dimbulagala Divisional Secretariat	Cash Book in Form General 58	Paragraph 01 of Circular No. 04/2013 dated 18 November 2013	Not maintained
Thamankaduwa Divisional Secretariat			
Welikanda Divisional			

Secretariat

District Secretariat	Attendance Register of the Procurement Committee Members	Chapter 2.11.2 of Government Procurement Guidelines	Not maintained
Welikanda Divisional Secretariat	Leave Register	Sub-clause 1.7 in Chapter xii of the Establishments Code	Not updated
Welikanda Divisional Secretariat	Attendance Register	Sub-clause 1.3 in Chapter xxiii of the Establishments Code	Not updated
Dimbulagala Divisional Secretariat	Register relating to receipts and issues of elephant shots	F.R. 445(2)	Not updated
Welikanda Divisional Secretariat	Register of Pensioners	Clause (i) and (ii) in paragraph 03 of the Circular No. 11/2009 dated 08 June 2009 and Pension Circular letter No. P/Circular/2011 No02 dated 14 June 2011	Not maintained
Hingurakgoda Divisional Secretariat			
Lankapura Divisional Secretariat	Register of Government Quarters	F.R. 445(2)	Not maintained

(b) Lack of Evidence for Audit

Due to non-submission of 2 Project Files in the Hingurakgoda Divisional Secretariat, those Projects could not be satisfactorily vouched in audit.

(c) Appropriation Account**(i) Total Provision and Expenditure**

While the total net provision made for the District Secretariat amounted to 680,358,340, a sum of Rs.664,011,601 had been utilized as at the end of the year under review. Accordingly, there was a saving of Rs.16,346,739 or 2.4 percent of the net provision. Details are shown below.

Expenditure	As at 31 December 2013			Savings as a Percentage of Net Provision
	Net Provision	Utilization	Savings	
	Rs.	Rs.	Rs.	
Recurrent	273,608,340	260,462,068	13,146,272	4.8
Capital	406,750,000	403,549,533	3,200,467	0.8
Total	680,358,340	664,011,601	16,346,739	2.4

(ii) Budgetary Variance

The Following observation are made

- The entire net provision of Rs.50,000 made available for one item of expenditure had been saved.
- Due to excess provisions made for 7 items of Expenditure, savings after utilization of provision was in a range from 6 percent to 43 percent of the net provision relating to those Items of Expenditure.

(iii) Utilization of Provisions made available by other Ministries and Departments

22 Ministries and 19 Departments had made available provisions amounting to Rs.1,599,558,403 to the District Secretariat for various activities. Out of those provisions, Rs.746,442,845 and Rs.568,414,624 respectively totalling Rs.1,314,857,469 had been utilized. Accordingly, as at the end of the year under review savings after utilization of provisions had been Rs.278,179,828 and Rs.7,024,688 respectively, totalling to Rs.285,204,516 or savings of the provision made available, were in a range between 27,15 percent and 1.22 percent respectively.

Following observations are made in this connection.

- The actual expenditure incurred had exceeded by Rs.460,008 and Rs.43,575 respectively totalling Rs.503,583 with regard to the provision mad available by the Department of Probation and Child Care and the Ministry of Productivity Promotion.

- Savings after utilization of provisions made available by 10 Ministries and 4 Departments, were in a range between 5 percent and 61 percent of the net provisions relating to those Items of Expenditure.

(d) Advances to Public Officers account

Limits imposed by the Parliament

Limits imposed by the Parliament and actual values of the Advance to Public Officers Account relevant to the District Secretariat are shown below.

Item No.	Expenditure		Receipts		Debit Balance	
	Maximum Limit	Actual	Minimum Limit	Actual	Minimum Limit	Actual
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
27501	30,000,000	20,790,171	17,000,000	18,467,037	126,000,000	77,688,728

Following observations are made in this connection.

- (i) According to the reconciliation statement as at 31 December 2013, relating to Item No.27501 Advance Account, recoveries of balances in arrears as at that date totalled to Rs.76,229,991. Follow up action for recovery of those balances in arrear was weak.
- (ii) Action had not been taken to recover a loan balance of Rs.254,645 outstanding to be recovered from a deceased officer, from the payments due to his heirs or if not possible to seek legal advice for such recovery from the heirs, in terms of clauses 4.4 and 4.4.1 of Chapter XXIV of the Establishments Code.
- (iii) Action had not been taken to recover loan balances of Rs.345,616 and Rs.146,415 due from a Divisional Secretary retired on 25 August 2012 and a Management Assistant Officer retired on 15 April 2013 respectively, due to disciplinary inquiries in progress against them. It was observed that a disciplinary inquiry or court proceedings against an officer is not a hindrance for recovery of loans action had not been taken to recover of the loans.
- (iv) Loan balances due to be recovered from 05 interdicted officers totalling Rs.1,238,257 had been shown in the schedules submitted along with the reconciliation statement. It was observed that a loan balance of Rs.156,999 in

arrears for more than 7 years, 2 loan balances in arrears for more than 5 years and another two loan balances in arrears for more than 3 years were included therein. While the cases against the interdicted offices were in progress, action had not been taken to recover the relevant loan balances in arrear without waiting until the finalization of the cases or to take action in terms of clause 4.5 or clause 4.6 of Chapter XXIV of the Establishments Code.

(e) General Deposits Account

The balance of the General Deposits Account No. 6003/0000/00/0051/000/0 of the District Secretariat as at 31 December 2013 was Rs.174,434,454. Following observations are made in this connection.

- (i) Although the balance of the General Deposits Account according to the reconciliation statement submitted was Rs.174,434,454, it was Rs.174,272,894 according to the individual balances and therefore a difference of Rs. 161,560 was observed.
- (ii) Although the balance of the General Deposits Account relating to the District Secretariat was Rs.149,894,821, The total value of those balances as at that date according to the Register of General Deposits (Form General 69) maintained by that office was Rs.124997,679 and a non-reconciliation of Rs.24,897,142 was observed.
- (iii) Action had not been taken in terms of Financial Regulation 571 with regard to deposits totalling Rs.10,617,740 which had exceeded more than 2 years as at 31 December 2013. Details are shown below.

Office	No. of Deposits	Value of time lapsed Deposits
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		Rs.
District Secretariat	47	8,843,802
Divisional Secretariat, Medirigiriya	04	246,207
Divisional Secretariat, Lankapura	05	13,795
Divisional Secretariat, Elahera	07	392,617
Divisional Secretariat, Hingurakgoda	29	1,121,319
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	92	10,617,740
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1.6 Good Governance and Accountability

1.6.1 Annual Action Plan

In order to achieve the mission of the District Secretariat, 04 objectives had been proposed through the Corporate Plan. Improvement of language communication position, making the status of the public service in the District efficient and effective, improvement of capability in the usage of the information technology and improvement of the mutual companionship of the staff were shown as those objectives. However, those objectives had not been included in the Action Plan for the year under review in order to achieve those objectives.

1.7 Assets Management

(a) Idle or underutilized assets

It was observed in audit sample checks that certain asset had been idle or underutilize as analyzed below.

	Type of Assets	No. of Units	Idle or underutilized period
			Years
(i)	Buildings	01	More than 1 year
(ii)	motor vehicles	05	Between 1 year and 5 years
(iii)	Machinery	10	More than 2 years
(iv)	Other assets	69	Between 1 year and 7 years

(b) Conducting Annual Board of Survey

Following observations are made.

- (i) Board of survey had not been carried out during the year under review and prior years with regard to the Government official quarters and vehicles belong to the District Secretariat and Divisional Secretariats.
- (ii) Action had not been taken in terms of financial regulations with regard to the Surpluses, shortages other recommendations pointed out in the Board Survey Reports relating to the year under review.
- (iii) Although annual board of survey had been carried out in the 7 Divisional Secretariats, a survey had not been carried out with regard to the fixed assets in the Medirigiriya Divisional Secretariat and stocks in the stores of the Dimbulagala and Hingurakgoda Divisional Secretariats. Similarly, a survey had

not been carried out with regard to other goods available by the Medirigiriya, Elaheera, Dimbulagala and Hingurakgoda Divisional Secretariats.

(C) Assets given to outside parties

House No. 01 belongs to the Hingurakgoda Divisional Secretariat had been given for carrying out the duties and administration works of the civil defense officers of the Minneriya Infantry Training Centre of the Army over a period of 5 years, extending the agreement period from year to year. The period of the last agreement had ended on 10 September 2013. However, the agreement period had not been extended thereafter and the Government Quarters referred to above had not been taken back. Up to the end of May 2014.

1.8 Noncompliance

Noncompliance with Laws, Rules and Regulations etc.

Instances of noncompliance with laws, rules and regulations observed in audit sample checks are analyzed below.

Reference to Laws, Rules, Regulations etc.	Value	Noncompliance
	Rs.	
<p>(a) Establishments Code of the Democratic Socialist Republic of Sri Lanka.</p> <p>(i) Sections 6 of Chapter xix</p> <p>(ii) Section 9 of Chapter xix</p>		<p>- Government Quarters No. 13 A not reserved for a particular post, belongs to the Hingurakgoda Divisional Secretariat, the 03 Government Quarters belong to the Dimbulagala Divisional Secretariat, and one Government quarters belong to the Thamankaduwa Divisional Secretariat had been allocated to officers without entering into agreements.</p> <p>- Action had not been taken with regard to 08 officers who had been in occupation of common service quarters exceeding the lease period of 5 years, belong to the District Secretariat.</p>

(b) Financial regulations of the Democratic Socialist Republic of Sri Lanka.

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|---------------------|------------|---|
| (i) F.R. 104(4) | | - Although the final report should be submitted within three months from the date of loss or damage, after the inquiry, full report relating to an accident to vehicle No.251-3556 belongs to the District Secretariat had not been submitted. |
| (ii) F.R. 142(1) | | - Monthly rental income of Rs.4,000 of the canteen run by the Divisional Secretariat had been treated as an income of the Welfare Association for a number of years without any legal basis, instead of being considered an income of the Government. |
| (iii) F.R. 272 | | - Although all payment vouchers should submitted having arranged according to the serial numbers of those, vouchers of the Thamankaduwa Divisional Secretariat had been submitted without being arranged according to serial numbers. |
| (iv) F.R. 371(2) | 83,500 | Although an ad hoc sub Imprest should be settled immediately after finalization of the relevant work, advances granted in 8 instances to officers for various works had been settled after delay ranging from 1 ½ months to 8 ½ months, contrary to the requirements. |
| (v) F.R.388 and 389 | 13,990,235 | According to the Register of Cheques Issued, for the years 2013 and 2014 in the Welikanda Divisional Secretariat, any signature or note had been made to the effect that 148 cheques were received or sent by Registered Post. |
| (vi) F.R. 1646 | | - Although the daily running charts and monthly performance summaries should be sent to the auditor General before 15 th day of the ensuing month, after the end of each month, the daily running charts and monthly performance summaries of the vehicles belong to the Elahera and Dimbulagala Divisional Secretariat and pool |

vehicle No. NP-PA-4981 of the Lankapura Divisional Secretariat had not been sent to the Auditor General accordingly.

(c) Procurement Guidelines of the Democratic Socialist Republic of Sri Lanka.

(i) Guideline 2.11.1(a) and (b)

- Although Procurement time table should be fixed indicating the date, time and place by the Secretary to the Committee in consultation with the Chairman, District Secretariat had not acted accordingly.

(ii) Guideline 2.11.3

- Although the Reports of the committee meetings should be recorded according to specified format in the Procurement Handbook and those should be certified by the members present, 9 instance of not certifying by the members in such manner relating to committee meeting reports for the year 2013 were observed.

(iii) Guideline 2.14.1

- Before procurement of goods and services for less than Rs.500,000 on the basis of market prices, procurement should be done after calling for sealed quotations not less than 5 and should be opened in public on a date informed in advance. Contrary to that, procurement decisions had been made having received quotations between 1 – 3 in 8 instances of the Elahera Divisional Secretariat, quotations between 1 – 2 in 2 instances of the Hingurakgoda Divisional Secretariat, without calling for quotations in 31 instances of the Welikanda Divisional Secretariat and quotations between 1 -2 in 3 instance of the District Secretariat.

(d) Ministry of Public Administration and Home Affairs Circulars and letters

(i) Circular No. 887 dated 05 January 1987 of the Ministry of Home Affairs

- While permission of the Secretary should be obtained to recover an economic rent, such economic rent is valid only for a period of one year. However, it was observed that a monthly economic rent of Rs.975 is being recovered during the year under review based on an assessment

report of the year 2011 for the No. 01 and No.02 clerical quarters belong to the Dimbulagala Divisional Secretariat.

- (ii) Letter No. HA/DA/12/27 dated 21 March 2006 and Even No. letter dated 12 June 2009 of the Secretary to the Minister of Public Administration and Home Affairs .

- All Divisional Secretaries should compulsorily reside in the Official quarters belong to own duty station and if Divisional Secretaries do not reside in own official quarters, that official quarters should be handed over to a suitable officer having submitted justifiable reasons and after obtaining the approval of Secretary to the ministry and house rent should be recovered from the officer in occupation of quarters in terms of the Establishments Code .However, such action had not been taken accordingly.

(e) Public Finance Circulars

- (i) Circular No. 393 dated 06 February 2001. Paragraph 4.2

53,700 The officers entitle to use official vehicle for private travel, should not obtain fuel on Government orders , and when it is necessary to use the official vehicle for a special duty, outside his normal duties, it is possible get reimbursed the true expenditure incurred on fuel. However, contrary to that, in 21 instances 450 liters of fuel had been obtained on government orders for the official vehicle of the Dimbulagala Divisional Secretariat.

- (ii) Circular No. PF-437 dated 18 September 2009.

- All Government and semi-Government Institutions should obtain an insurance cover according to own requirement of the Institution from the National Insurance Trust or Sri Lanka Insurance Corporation Limited, insurance cover had not been obtained for vehicle No. 252-9909 and No. 32-2192 of the district Secretariat.

- (iii) Circular No.PF-443 dated May 2010.

597,725 While Public Institutions should give priority to Fuel filling Stations belong to the Co-operative Societies when obtaining own fuel requirements, according to the necessity, a deposit could be placed with the co-operative society on the basis of not exceeding the amount of deposit or making cash payments own fuel

requirements should be fulfilled. Contrary to that, all fuel requirements during the year under review had been obtained from a private filling station by the Dimbulagala Divisional Secretariat.

(f) National Budget Circulars

Decentralized Budget Circular
No. 1/2013 dated 28 March 2013

218,805 Equipment had been provided to 7 Employees' Welfare Societies under Decentralized Budget contrary to this circular requirement by the Thamankaduwa Divisional Secretariat.

(g) Other Circulars

Circular No. 2008/11 dated 13 February 2008 of the Ministry of Child Development and Women's Affairs

- (i) In implementation of the Programme for Glass of Milk for children in the age groups of above 24 months and below 60 months through pre-schools and day care centers, the Programme had not been implemented in 13 pre-schools out of 52 pre-schools in Elahera Divisional Secretary's Division, 18 pre-schools out of 69 pre-schools in Thamankaduwa Divisional Secretary's Division and in 60 pre-schools out of 75 pre-schools in Dimbulagala pre-schools.
- (ii) While Glass of Milk Programme had not been implemented for 1041 children in 30 pre-schools during the first 9 months of the year under review in the Lankapura Divisional Secretary's Division, this benefit had not been received for 560 children in 15 pre-schools during last 3 months of the year.

1.9 Weaknesses in implementation of Projects

Instances of abandonment of project without completion and delays in projects revealed in audit sample checks are shown below.

(a) Abandonment of Projects without completion

Although the following Projects had been commenced by the District Secretariat, those Projects had been abandoned without being completed.

Project	Estimated Cost	Date commenced	Expenditure as at 31-12-2013	Reasons for abandonment
	Rs.		Rs.	
Construction of Path way for exercise under Deyata Kirula Development Programme	26,505,983	05.02.2013	4,456,324	On the basis of a decision taken by the ministers of Economic Development/ Health.

(b) Delays in performance of Projects

Delays in performance of following Projects by the District Secretariat were observed.

Project	Estimated amount (without VAT)	Date of commencement	Date to be completed	Expenditure as at 31.12.2013	Reason for the delay
	Rs.			Rs.	
Construction of new latrines complex in Lankapura Divisional Secretariat	2,155,226	06.11.2013	31.12.2013	274,582	Not furnished
Modernization of the main hall of the Royal Central College	29,220,274	06.09.2013	05.06.2013	3,600,000	Availability of time
Construction of auditorium of the Girthale Maha Vidyalaya	44,406,308	30.12.2013	30.06.2014	500,209	Agreement date is 30.06.2014
Single floor class room building of the Royal Central College	10,719,961	11.11.2013	31.01.2014	3,171,189	Agreement date is 31.01.2014
Construction of Weekly Fair-Hingurakoda	20,000,000	12.06.2013	12.12.2013	4,407,618	(i) Rainy weather conditions (ii) These Projects are Performed through the Pradeshiya Sabahmand the administrative problems prevailing in those have caused the delay.
Construction of Weekly Fair-Lankapura	20,000,000	12.06.2013	12.12.2013	12,068,629	
Construction of Weekly Fair-Thamankaduwa	20,000,000	12.06.2013	12.12.2013	5,459,661	
Construction of Weekly Fair-Welikanda	20,000,000	10.06.2013	10.12.2013	7,187,728	
Construction of Weekly Fair-Medirigiriya	20,000,000	24.06.2013	24.12.2013	13,463,566	
Construction of Weekly Fair-Medirigiriya	20,000,000	13.06.2013	13.12.2013	5,241,879	
Construction of Weekly Fair-Medirigiriya	20,000,000	13.06.2013	13.12.2013	5,241,879	

Fair-Elahera Mahasen Building Hingurakgoda	-	40,107,328	05.09.2013	05.09.2014	15,662,473	} It takes at least one year for completion of Projects
White House Polonnaruwa		40,101,843	20.09.2013	20.09.2014	8,541,983	

1.10 Performance

It was observed that the Action Plan for the year 2013 had not been prepared in conformity with the Corporate Plan. Relevant work to be done in order to achieve the objectives of the Action Plan had not been disclosed. Due to these reasons it was not possible to evaluate the progress of the performance of the District Secretariat.

1.11 Improper Transactions

Certain transactions entered in to by the District Secretariat were improper. Some instances of such transactions are shown below.

- (a) A sum of Rs.347,250 had been paid to the Namal Trade Stall, Hingurakgoda, on voucher No. 3/16 dated 06 March 2013 for the vegetables and other items purchased for providing cooked meals to the welfare centre launched in Kirimetiya Junior School under the distress condition arisen due floods in year 2013. According to the prices obtained from the Dambulla Economic Centre, a sum of Rs.98,000 had been paid for the vegetables valued at Rs.38,000. Accordingly, a sum of Rs.60,000 had been overpaid. It was observed that such a high price cannot be prevailed in Hingurakgoda region for these vegetables purchased on wholesale basis.
- (b) 04 Seminars had been conducted by the Elahera Divisional Secretariat during the year under review. Although 295 offices had participated in that, according to the estimate, expenditure had been incurred relating to 465 participants. Accordingly, a sum of Rs.18,986 had been spent on behalf of 170 officers not participated.
- (c) In purchasing plants, a Procurement Committee should be appointed and payments should be made on the recommendations of that Committee. However, without following such procedure 56,680 plants of pepper, jack and mandarin had been purchased for a sum of Rs.2,198,600 from a small nursery carrying on business at small scale with limited facilities in Dimbulagala, Kalukele area. It was also observed that, at the time of taking the decision for the purchase and/or at the time of purchasing a recommendation from an Agricultural Instructor had not been obtained to ascertain whether the plants are in good condition and suitable. Out of this sum, two cheques for Rs.389,000 had been paid to an outside individual, who was not the owner of the nursery. In the field inspection carried out in audit it was revealed that only 10 percent of the pepper plant distributed had been remained due to substandard plants distributed for culture, and being subject to virus.

- (d) Elephant shots received at the Dimbulagala Divisional Secretariat had not been recorded in a Register of Receipts and issues too had not been made in a proper manner. Elephant shots received had been dropped in the stores without any security, and it was observed that an adequate secured methodology had not been followed, those being an explosive material.

1.12 Losses and Damages

Observations relating to losses and damages revealed in audit sample checks are shown below.

- (a) Action had not been taken in terms of Financial Regulations 105 with regard to the officers nominated as the officers responsible for the payment of Rs.373,200 had to be made to the Polonnaruwa District Secretariat for the Jeep vehicle - 31 Sri 141, on the grounds of using government property negligently and fraudulently.
- (b) Action had not been taken with regard to misplace of elephant shots valued at Rs.55,920 in the Dimbulagala Divisional Secretariat.
- (c) While a vehicle belongs to the Dimbulagala Divisional Secretariat had met with an accident, a sum of Rs.433,098 had been spent to repair it. A sum of Rs.320,729 had been given by the Insurance Company as reimbursement of losses. Accordingly, action had not been taken either to recover or write-off the loss of Rs.112,369 in terms of Financial Regulation 109, up to 31 December 2013.
- (d) An insurance cover had not been obtained for the cab vehicle belongs to the Dimbulagala Divisional Secretariat and the value of loss occurred due to accident took place in Matale Kandy road on 25 July 2010 had been assessed as Rs.60,000 by the Divisional Secretary who had driven the vehicle. Although 4 ½ years had elapsed from the date of occurrence of the accident, final report relating to that in terms of financial Regulation 104(4) had not been issued up to now ,while that vehicle had remained without repairs being made and opened to getting decayed.

1.13 Management Weaknesses

Following observations are made in this connection.

- (a) When signing contracts agreements, it has to be signed in triplicate and out of that one copy should be sent to the Auditor General. However, a copy of any agreement signed during the year under review had not been submitted to the Auditor General by the 07 Divisional Secretariats and the District Secretariat.

- (b) It is required to prepare bank reconciliation statements with regard to the position relating to transactions at the end of each month before 15th day of the ensuing month and a copy should be sent to the Auditor General, such action had not been taken in 07 Divisional Secretariats and the District Secretariat during the year under review.
- (c) It was observed that maintenance of the Finger print marking machine for recording arrival and departure of officers and the Attendance Register used for recording arrival and departure of the officers in office and the Leave Register in the Thamankaduwa Divisional Secretariat was not subject to control by suitable supervisory staff officers.
- (d) In examining the Leave Registers in Elahera and Medirigiriya Divisional Secretariat It was observed that there were 12 officers who had not taken any leave during the year under review. It was also observed that all of them were field officers. Leave, advance programmes and monthly work done programmes of these officers are not subject to inspect through a supervising officer and that a proper system was in operation with regard to those matters.
- (e) While action had not been taken to convert to usable condition having modernized the 5 government quarters and 2 chummary houses belong to the District , action also had not been taken to obtain the title deeds of Government housing land belong to the District Secretariat.
- (f) Follow up process for the recovery of various types of loans granted to Samurdhi beneficiaries through 05 Samurdhi Bank Unions in the area of authority of the Dimbulagala Divisional Secretary was in a weak condition and bad debts amounting to Rs.18,844,778 had occurred as at 11 October 2014, out of the various loans granted.
- (g) An expenditure amounting to Rs.63,033 had been incurred out of the provisions of the Divisional Secretariat during the year under review for maintenance of 3 motor cycles purchased on 28 December 2006 for duties in Welikanda Divisional Secretariat, having spent a sum of Rs.292,875 through Government Funds. When issuing those motor cycles to officers for official duties a proper system had not been followed and it was observed that the prevailing controls for those motor cycles were weak.

1.14 Human Resources Management

Approved and Actual Cadre

Cadre position as at 31 December 2013 was as follows.

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
(i) Senior Level	33	28	05
(ii) Tertiary Level	20	10	10
(iii) Secondary Level	593	425	168
(iv) Preliminary Level	100	77	23
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Total	746	540	206
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Following observation is made.

Action had not been taken to fill 206 vacancies prevailed as at the end of the year under review relating to 05 officers of senior level, 10 officers of tertiary level, 168 officers in secondary level and 23 officers of Preliminary level. The District Secretary had informed that only one post of senior level has been filled by now.