

### 3. Head 1 – His Excellency the President

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#### 3:1 Lack of Evidence for Audit

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The following transactions could not be satisfactorily vouched in audit as the audit evidence indicated against them were not produced.

<b>Transaction</b>	<b>Value</b>	<b>Evidence not produced</b>
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	<b>Rs.</b>	
Rental for Audio and Visual Equipment	61,353,428	Copies of letters making enquiries whether the media equipment of the Presidential Secretariat had been used for other media publicity activities.
Hire of Furniture and Canopies	30,866,510	The need and the estimates of quantities requirement.
Activities assigned to third parties	32,781,120	Copies of agreements entered with them.
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<b>Total</b>	<b>125,001,058</b>	
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#### 3:2 Appropriation Account

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##### (a) Budgetary Variance

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Excess provisions had been made for 4 Objects and as such the savings, after the utilization of provision, ranged between 16 per cent and 68 per cent of the net provisions relating to the respective Objects.

**(b) Liabilities incurred exceeding Provisions**  
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Liabilities amounting to Rs.963,021,140 exceeding the provisions made for 23 Objects had been incurred.

**3:3 Non-compliances**  
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Even though the ad hoc sub-impressts totalling Rs.7,443,480 granted in 64 instances should have been settled immediately after the completion of the purpose in terms of the Financial Regulation 371(a), those had been settled after delays ranging from 02 months to 12 months.

**3:4 Irregular Transactions**  
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Expenditure of Rs.599,999,605 had been incurred for the purchase of “sil clothes” in the year 2014 under the National Programme with the objective of creating an awareness among the community for safeguarding the social ethics and religious traditions. The Telecommunication Regulatory Commission of Sri Lanka had directly remitted of Rs. 600 Million to the official Bank Account of the Presidential Secretariat as the provision required for the programme. According to the Financial Regulation 170(2) that money should have been treated as a donation. But that had not been done. Action for the purchase of “Sil clothes” had been taken under the Cabinet decision No.14/1223/563/002-I/TBR of 04 September 2014 for the purchase of textiles for school uniforms.

**3:5 Deviation from the Government Procurement Guidelines Procedure**  
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The contract for partitioning of an office of the Temple Trees for the supervision of development at the electoral level had been assigned to a contractor and the estimated amount of Rs.930,000 had been paid by an officer of the Special Project Office. The amount of Rs.906,250 recommended for payment out of the estimated amount had been settled by the Presidential Secretariat. The 5 per cent of the total amount payable to the contractor to be withheld in terms of the Guideline 5.4.6 of the Government Procurement Guidelines had not been withheld.

### 3:6 Human Resources Management

#### Approved Cadre and Actual Cadre

The position of the cadre as at 31 December 2014 had been as follows.

Category of Employees	Approved cadre		Actual cadre		Number of Vacancies	Excess carder
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Senior Level	56	162	45	226	11	64
Tertiary Level	23	95	16	128	07	33
Secondary Level	326	80	258	104	68	24
Primary Level	603	142	475	168	128	26
<b>Total</b>	<b>1,008</b>	<b>479</b>	<b>794</b>	<b>626</b>	<b>214</b>	<b>147</b>

The following observation is made.

Vacancies in 214 permanent posts existed at the end of the year ender review and the formal approval for the excess temporary cadre had not been obtained.