

**Report of the Auditor General on Head 215 – Department of Technical Education and Training
- Year 2015**

Head - 215 The audit of the Appropriation Accounts and the Reconciliation Statements including the financial records, books, registers and other records of the Department of Technical Education and Training for the year ended 31 December 2015 was carried out in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. The Management Audit Report for the year under review was issued to the Director General of the Department on 31 December 2016. 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 an audit coverage as possible within the limitations of staff, other resources and time available to me.

1.2 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 Account and the Reconciliation Statements in accordance with the provisions in Articles 148, 149, 150 and 152 of the Constitution of the Democratic Socialist Republic of Sri Lanka, other statutory provisions and Public Finance and Administrative Regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Accounts and Reconciliation Statements that are free from material misstatements whether due to fraud or error.

2. Accounts

2.1 Appropriation Account

Total Provisions and Expenditure

The total net provisions made for the Department amounted to Rs. 1,964.25 million and out of that, a sum of Rs. 1,919.16 million had been utilized by the end of the year under review. Accordingly, the savings out of the net provisions made for the Department, amounted to Rs. 45.06 million, representing 2.29 per cent. Details appear below.

| Expenditure | As at 31 December 2015 | | | Savings as a Percentage of the Net Provision |
|--------------|------------------------|-----------------|--------------|----------------------------------------------------|
| | Net Provision | Utilization | Savings | |
| | Rs. Millions | Rs. Millions | Rs. Millions | |
| Recurrent | 1,628.35 | 1,597.81 | 30.54 | 1.88 |
| Capital | 335.90 | 321.35 | 14.65 | 4.33 |
| Total | 1,964.25 | 1,919.16 | 45.09 | 2.29 |

2.2 Advances to Public Officers Account

Limits Authorized by Parliament

The limits authorized by Parliament for the Advances to Public Officers Account under the Item No. 21501 of the Department, and the actual amounts are given below.

| Expenditure | | Receipts | | Debit Balance | |
|------------------|--------------|------------------|--------------|------------------|--------------|
| Maximum Limit | Actual | Minimum Limit | Actual | Maximum Limit | Actual |
| ----- | ----- | ----- | ----- | ----- | ----- |
| Rs. Millions | Rs. Millions | Rs. Millions | Rs. Millions | Rs. Millions | Rs. Millions |
| 60.32 | 53.09 | 56.32 | 66.27 | 200.00 | 108.91 |

2.3 General Deposit Account

The balances of 03 deposit accounts under the Department totaled Rs. 32.81 million as at 31 December 2015. Particulars are given below.

| Deposit Account No. | Balance as at 31 December 2015 |
|----------------------------|--------------------------------|
| ----- | ----- |
| | Rs. Million |
| 6000/0000/00/0001/0081/000 | 0.40 |
| 6000/0000/00/0016/0058/000 | 14.27 |
| 6000/0000/00/0018/0020/000 | 18.14 |
| | ----- |
| Total | 32.81 |
| | ===== |

2.4 Audit Observation

The Appropriation Account and the Reconciliation Statements of the Department of Technical Education and Training for the year ended 31 December 2015 had been satisfactorily prepared subject to the Audit Observations included in the Management Audit Report referred to in paragraph 1.1 above. The material and important audit observations included in that Management Audit Report appear in paragraph 3.

3. Material and Important Audit Observations

3.1 Non-maintenance of Registers and Books

It was observed in the audit test checks that the following registers had not been maintained by the Department.

| Type of Register | Relevant Regulation |
|---------------------------------------|---------------------------------------------------------------|
| ----- | ----- |
| (i) Register of Liabilities | Financial Regulation 214. |
| (ii) Register of Computer Accessories | Treasury Circular, No. IAI/2002/2, dated 28 November 2002. |
| (iii) Register of Movable Assets | Public Finance Circular, No. 402 (1), dated 20 February 2004. |
| (iv) Security Register | Financial Regulation 891 |

3.2 Lack of Evidence for Audit

The following documents and registers had not been made available to audit.

- (a.) Action had not been taken in terms of Financial Regulation 104 relating to the losses and damages totalling Rs. 306,337 caused to 04 vehicles in the year 2015 due to accidents shown in the Appropriation Account.
- (b.) Loan files required to examine the loan balances totalling Rs. 232,070 of the 02 officers who had been interdicted in the years 1997, and 2003.

3.3 Appropriation Account

Budgetary Variance

Over provision had been made for 39 Objects, and as such, the savings, after the utilization of provisions, ranged from 5 per cent to 97 per cent of the net provision relating to the respective Objects. .

3.4 Reconciliation Statement on the Advances to Public Officers Account

According to the Reconciliation Statement of the Advances to Public Officers Account, Item No. 21501 as at 31 December 2015, the balances that remained outstanding as at that date totalled Rs. 109,051,233. Even though a sum of Rs. 6,929,021 therefrom had remained outstanding over periods ranging from 1 to 20 years, the follow-up action on the recovery of the outstanding balances had been at a weak level.

3.5 Good Governance and Accountability

Audit and Management Committee

In terms of Management Audit Circular, No. DMA/2009 (i), dated 09 June 2009, meetings of the Audit and Management Committee should be held at least once per quarter. However, only 02 meetings had been held in the year under review.

3.6 Assets Management

The following deficiencies were observed in the audit test check carried out on the assets of the Department.

(a.) Idle and Underutilized Assets

The following observations are made.

- (i) A hoist for lifting vehicles had remained idle for a period of about 10 years at the Technical College, Homagama.
- (ii) The three-wheeler valued at Rs. 442,380 received under UNICEF aids for the Three-wheeler Mechanic Course conducted at the Technical College, Mannar, had remained idle sine January, 2014.
- (iii) Twenty three official quarters belonging to Technical Colleges, or Colleges of Technology, had remained dilapidated due to being unused, or failure to repair properly.
- (iv) Even though books valued at Rs. 148,923 had been purchased in the years 2014 and 2015 for the library of the Technical College in Mannar, those books remained idle due to lack of space and failure of the Collage to appoint a library staff.

(b.) Conducting Annual Board of Survey

No action whatsoever had been taken even up to 30 June 2016 in regard of the shortages, excesses, and items to be destroyed, repaired, or sold that had been pointed out in the reports of the Board of Survey for the year 2014. The said activities had not been completed even up to 30 July 2016 in connection with the shortages and excesses revealed in the reports of the Board of Survey conducted for the year 2014 on 09 Technical Colleges , and Colleges of Technology

(c.) Assets Given to External Parties

The following assets had improperly been released to external parties by the Department, and the dates of release had not been made available to audit.

| Category of Assets | Quantity of Assets | Location of the Asset | Assets Given to | Value |
|--------------------|--------------------|--------------------------------|-------------------------------------------------------|--------------|
| ----- | ----- | ----- | ----- | ----- |
| | | | | Rs. |
| (i) Lands | 30 Acres | Technical College, Kuliypitiya | University College | } 25,000,000 |
| | 08 Acres | -Do- | Youth Corps | |
| | 110 Acres | Technical College, Beliatta | Ministry of Sports | |
| | 9.5 Perches | Technical College, Kegalle | A person | |
| | 6.5 Perches | -Do- | Encroached by a person | |
| | 10 Acres | Technical College, Monaragala | National sports ground, Uva, Wellassa. | |
| | 05 Acres | -Do- | Training Centre of Youth Corps | |
| | 1.5 Acres | -Do- | Open University | |
| | 01 Acres | -Do- | National Apprentice and Industrial Training Authority | |
| (ii) Buildings | 04 | College of Technology, Kandy | Gem and Jewellery Research and Training Institute | |

(d.) Control of Vehicles

The following observations are made in the examination on the vehicle fleet of the Department.

- i. As the engine of a vehicle assigned to the Technical College of Beliatta, had malfunctioned on 18 March 2011, and the rear window thereof had been broken on 05 June 2011 whilst being parked at the premises of the said College, a sum of Rs. 1,973,825 had been incurred on the restoration of the vehicle. In terms of the report of inquiry prepared on 25 June 2014 in accordance with the Financial Regulation 104 (4), it had been decided to recover 40 per cent of the damage from the relevant driver, but that had not been recovered from the driver even up to June, 2016. Furthermore, this loss had not been shown under losses and damages of the Appropriation Account.
- ii. A vehicle of the category “motor coach” belonging to the Department, had met with an accident on 27 September, 2012 whilst being driven by the Director of the Hardy Advanced Technological Institute, Ampara. The said officer had not possessed a driving license valid for driving the category of motor coaches. Expenses amounting to Rs. 1,000,000 had been estimated for repairing the vehicle, and the report thereon had been furnished on 11

January, 2013 in terms of the Financial Regulation 104 (4). According to that report, it had been decided that 50 per cent of the damage be recovered from the Director who had driven the vehicle, and an appeal had been furnished by the said Director to the Secretary to the Ministry in that connection. By considering that appeal, approval had been granted through the letter, dated 15 July 2016 not to recover the 50 per cent of the damage from that officer. As such, the total of the damage amounting to Rs. 1,000,000, had become a burden of expenditure for the Government .

- iii. The engine of a vehicle belonging to the Department had remained inoperative since March, 2012. Despite the lapse of a period of 04 years since the occurrence of the said fault , action had not been taken even up to 20 June 2016 either to repair or dispose the said vehicle.
- iv. Three vehicles had been assigned for duties of the Colleges of Technology, in Kurunegala, Galle, and Ampara. It was revealed during the inspection of the daily running charts that those 3 vehicles had been utilized by the 03 Directors of the said Colleges who had been entitled to official vehicles, for their personal and official use. However, expenditure on fuel for all of the travels had been incurred by the relevant Colleges, but the fuel allowance had also been obtained by the said officers in the year 2015 at Rs. 95,340.
- v. In accordance with the letter of the Additional Director General (Administration and Finance), dated 01 December, 2014, payment for 140 liters of fuel per month to the acting Director of the College of Technology, Kurunegala, had been approved with effect from January, 2014. Accordingly, a sum of Rs. 191,637 had been paid on 13 January 2015 as fuel allowance in arrears. However, it was revealed in the inspection of the daily running charts that the expenses on fuel for the vehicle used to travel between the home and the office during that period, had been incurred by the Department. When paying the fuel allowance in arrears, the said officer had been paid the allowance in full without deducting any of the fuel expenses mentioned above.

(d.) Administration of Government Quarters

According to the information made available to audit, the Department owned 213 Government Quarters pertaining to 29 Technical Colleges / Colleges of Technology. The following weaknesses were observed during the audit test check conducted in that connection.

- i. In terms of Section 6.1 of Chapter XIX of the Establishments Code, the period of tenure for the Government Quarters should be 05 years, and the officers overstaying the tenure, should have been charged a penalty in terms of Section 7.2 of Chapter XIX of the Establishments Code. Although 18 officers of 09 Technical Colleges / Colleges of Technology had overstayed their tenures at the Government Quarters, they had not been charged such penalties. Among those officers, 07 had overstayed for a period of over 10

years, and 02 officers had overstayed for a period of over 15 years, whilst another 02 officers had overstayed for a period of more than 20 years. Legal action required for evicting them from the Government Quarters, had not been taken by the Department.

- ii. Due to failure in maintaining a registry and a waiting list at the Head Office including information such as, the number of Government Quarters belonging to the Department, location and category of the Quarters, and particulars of the occupying officers along with the rentals being paid, the administration of the Government Quarters had remained weak.
- iii. The files maintained at the Head Office on the Government Quarters, had not contained agreements entered into between the officers allotted the Government Quarters, and the Head of the Department. In terms of Section 6.6 of Chapter XIX of the Establishments Code, an officer whom a Government Quarters had been allotted to, should report to the Head of his Department, and to the Allocating Authority the date on which he occupies and vacates. Nevertheless, the said officers had not so done.
- iv. In terms of Sections 6.8, 8.3, and 8.4 of Chapter XIX of the Establishments Code, an outgoing officer should properly hand over the goods in accordance with the inventory. However, with respect to many of the Government Quarters, the relevant files had not contained evidence to the effect that goods had been handed over and accepted them properly by checking with the inventory.
- v. Although 02 female officers employed at the Technical College, Kurunegala, had been transferred in October, 2013, and February, 2015, they had continued their tenures at the Government Quarters of the Technical College, Kurunegala by extending their tenure on temporary basis. Despite being recommended through the reports of the internal audit and the Committee on Government Quarters, that those Quarters should no more be allotted to them, the Quarters had not been vacated even by 31 July 2016, the date of audit.
- vi. Although letters had been sent to 14 officers of the Colleges of Technology in Galle, Kandy, Badulla, Bandarawela, and Homagama, who had occupied the Government Quarters for a period of more than 05 years, requesting to vacate the those Quarters, and despite the possibility that such officers could be ejected from the Quarters in terms of Sections 9.1 and 7.1 of Chapter XIX of the Establishments Code, and the provisions of the Government Quarters (Recovery of Possession) Act, No. 7 of 1969 as amended by Act, No. 3 of 1971 and Act, No. 40 of 1974, it had not been so done. According to the observations mentioned above, the Government Quarters becoming vacant due to lapse of tenure, and transfer and retirement of the officers, could not be allotted to the officers in the waiting list despite the receipt of the applications for Government Quarters.

(e.) **Maintenance of Library Books**

According to the reports of the Internal Audit, 795 books of the library had been borrowed by students, staff, and visiting lecturers, and those books had not been returned to the library even up to 31 December 2015. Action had not been taken by the Department on the recovery of those books.

3.7 Unsettled Liabilities

According to the bills furnished by the Local Authorities in respect of the assessment tax, a sum totalling Rs. 7,980,145 including a sum of Rs. 7,821,152 for 03 assessment numbers of the Head Office from the year 1996 , and a sum of Rs. 158,993 for 03 Technical Colleges and Colleges of Technology from the year 2013, had remained payable by the Department as assessment tax.

3.8 Non-compliances

Non-compliances with Laws, Rules, and Regulations.

The instances of non-compliances observed during the audit test checks are analyzed below.

| Reference to Laws, Rules, and Regulations | Non-compliance |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ----- | ----- |
| (a.) Financial Regulations of the Democratic Socialist Republic of Sri Lanka | |
| i. Financial Regulation 103 (1) and 104 (1) | Action had not been taken in terms of Financial Regulations on the theft of properties and the damages caused by thieves breaking into the Technical Colleges / Colleges of Technology in Maradana and Vauniya on 15 November 2010, and 22 December 2015. |
| ii. Financial Regulation 104 (3) and (4) | The preliminary reports on the losses and damages caused at the Technical Colleges / Colleges of Technology in Maradana, Polonnaruwa, Ratmalana, Badulla, and Trincomalee in the years 2014 and 2015, had been furnished after a delay. |
| iii. Financial Regulation 115 | Payments of the preceding year, totalling Rs. 1,680,696 had been made in 05 instances without being certified by an authorized officer. |

- iv. Financial Regulation 210 (1) When paying assessment tax for the Local Authorities, action had not been taken to obtain the discount benefit amounting to Rs. 127,620.
 - v. Financial Regulation 210 (2) In terms of Gazette Extraordinary, No. 1572/25, fines totaling Rs. 30,867 had been paid in 11 instances due to failure in settling the electricity bills on time.
- (b.) Treasury Operations Circulars
- Circular, No. 06/2015, dated 23 November 2015 The cash balance amounting to Rs. 224,437 existed at the College of Technology, Jaffna by the end of the year under review, had not been remitted to the Treasury.

3.6 Foreign Funded Projects

3.9.1 Sectoral Skills Development project

Provisions amounting to Rs. 225.61 million had been allocated for the year under review for renovating the buildings of the Technical Colleges and Colleges of Technology, procurement of equipment, and training through the Sectoral Skills Development project implemented by the Department under foreign financing. A sum of Rs. 147.14 million had been utilized in the year under review representing 65.22 per cent thereof. The following observations are made in this connection.

- (a.) Provisions amounting to Rs. 103.66 million had been allocated for the renovation and modernization of the Technical Colleges in Matara, Kegalle, and Batticaloa proposed to have been completed by the year 2014. Due to failure in completing those works as planned, a sum of Rs. 55.94 million, representing 53.96 per cent of the provisions allocated, had been utilized thereon. Provisions amounting to Rs. 40.00 million had been allocated for the said project in the year under review, and the project had been completed by incurring Rs. 38.56 million therefrom.
- (b.) According to the Action Plan of the year under review, provisions amounting to Rs. 90.00 million had been allocated for renovating the buildings of the Technical Colleges in Bandarawela, Homagama, and Samanthure. By the end of the year under review, a sum of Rs. 46.86 million had been incurred therefrom representing 52.07 per cent of the provisions allocated. As such, the Department had failed to utilize a sum of Rs. 43.14 million representing 47.93 per cent of the provisions allocated.
- (c.) According to the Action Plan and the Procurement Plan of the year under review, provisions amounting to Rs. 40 million had been allocated for procuring equipment for the Technical Colleges in Bandarawela, Homagama, and Samanthure, but, only a sum of Rs. 6.78 million had been utilized representing 16.9 per cent of that provision.

- (d.) According to the Action Plan of the year under review, provisions amounting to Rs. 3 million had been allocated to the programme providing assistance for foreign employment opportunities. Nevertheless, the implantation of that programme had been unsuccessful even by the end of the year under review.
- (e.) It had been stated in the Action Plan that approval of the Public Service Commission should be obtained to appoint an effective teaching staff for the development of human resources. Action had not been taken to obtain the relevant approval from the Public Service Commission in the year under review. Although provisions amounting to Rs. 5.76 million had been allocated in the year under review for the development of human resources, a sum of Rs. 5.67 million had been paid as salaries to 16 instructors appointed on contract basis.

3.9.2 Project for the Modernization of Automotive Workshops of Technical Colleges and Colleges of Technology

Supply of equipment for modernizing and improving the automotive workshops belonging to 02 Colleges of Technology and 03 Technical Colleges, and training the instructors had directly been done under Korean aids. The workshops and the classrooms where those courses had been conducted, had been repaired and modernized by the funds of the Government of Sri Lanka. The following observations are made in this connection.

- a) Sums of US \$ 03 million, and US \$ 0.5 had been estimated for this project by the Korea International Cooperation Agency, and the Government of Sri Lanka respectively. Those projects had been scheduled to be completed during the period 2013 – 2015. Due to failure in repairing and modernizing the relevant workshops by the year 2013 making them suitable for fixing the equipment, the project could not be completed by the end of the year 2015. In addition to that, 45 students had been selected for the Diploma in Motor Vehicle Mechanic course at the Technical College, Kandy, but 24 students had been enrolled by the Technical College, Maradana.
- b) Five state-of-the-art motor vehicles for motor mechanic training, and another motor vehicle for the project, had been provided by the Korea International Cooperation Agency at the value of US \$ 98,994 for 05 relevant Colleges, and the Head Office respectively. The relevant Ministry had incurred the expenditure totalling Rs. 55,090,000 thereon including customs duties and other expenses. The ownership of those vehicles had not been taken over by the Ministry even up to 30 April 2016.

3.10 Performance

Information relating to the performance of the Department in accordance with the annual budget estimate for the year 2015, and the Action Plan, is given below.

a) **Enrollment of Students for the Technical Colleges / Colleges of Technology**

It had been informed by the Letter No. DTET/05/01/02 (i)/2014 of the Director General, dated 12 November 2014, that action should be taken to increase the target for enrolling students for the year 2015 by at least 20 per cent more than the number of student enrollments for the year 2014. As compared with the number of student enrollments for the year 2014 according to the reports furnished by the Management Information Division of the Department, a decrease of 3000 students indicating 13 per cent was observed in the year under review.

Although the number of students with respect to 09 Technical Colleges / Colleges of Technology had increased by 326 in the year 2015 as compared with the year 2014, a decrease of 3,325 students had been reported with respect to 30 Technical Colleges / Colleges of Technology. The audit was informed by the Director of the Department that, following a policy decision, it had been decided to conduct 2 short-term English courses in the year 2014, while directing the students to vocational training relating to the handicraft, thereby enrolling a limited number of students for courses such as , English, Computer, and Commerce being conducted only at several Colleges with a permanent staff for English. The Director further informed that the gradual decline of the interest in the society to opt for vocational courses relating to the handicraft, had directly contributed to the decrease in the number of students.

According to the Letter of the Director General mentioned above, only 2 Technical Colleges had been able to increase the student enrollments by 20 per cent in the year 2015 as compared with the year 2014. As compared with the number of students enrolled in the year 2014 for 29 Technical Colleges / Colleges of Technology, a decrease ranging from 3 – 54 per cent was observed with respect to the year 2015.

b) **Conducting Courses**

It had been targeted to conduct courses in the mediums of Sinhala, Tamil, English, Korean, and Japanese approved through the GSI Format published in the Gazettes dated 03 October 2014, and 19 December 2014. The following observations are made in respect of conducting those courses at the Technical Colleges / Colleges of Technology.

- I. Applications had been called for enrolling students for 1,044 classes at 39 island-wide Technical Colleges / Colleges of Technology in respect of 150 courses. The examination on the statistics of the student enrollments revealed that only 663 classes had been commenced for 103 courses published through the Gazette. As such, of the courses targeted to commence, 47 courses and 381 classes could not be commenced.
- II. The minimum number of students approved for each of the courses had been shown through the Letter, No. DTET/05/01/02(i)/2014 Of the Director General, dated 12 November 2014. Without having the minimum number of students, 98 classes for 41 industry / laboratory based courses, and 62 classes for 12 class room based courses, had been commenced by the Technical

Colleges / Colleges of Technology in the year under review. The following reasons had been provided by the Director in connection with the conduct of courses by enrolling students despite the lack of the minimum number of students.

- Due to availability of permanent Instructors, certain courses had to be conducted with a minimum number of students.
- Despite the lack of student interest, the availability of workshops with heavy equipment at many of the Colleges in respect of the courses relating to vocations such as, carpentry, masonry, and welder. Due to the requirement of continuing with those assets, courses had been commenced with a minimum number of students.
- In case of closing down a workshop with machinery for a period of one year without students, the workshop would be decayed and dilapidated so that it could not be made use of once again. As such, it is necessary to proceed even with a minimum number of students.
- In case of a course associated with a workshop is discontinued in a year, students would not enroll for such a course in the ensuing years. Accordingly, such a course has to be conducted even with a minimum number of students.
- Due to the encouragement of the students to enroll in the ensuing years as the courses are at least continued with a minimum number of students. Action had been taken to continue conducting the courses.

c) Results of the Examinations

According to the information obtained from the Statistics Division of the Department, the following observations are made in connection with the examination results of 38 courses conducted in the preceding year.

- (i) Of the 16,220 students enrolled for 38 courses, 10,637 students had sat the examinations, but only 6,307 of them had passed the examination whilst 3,025 students had obtained referred passes. As such, 39 per cent of the students had passed the examinations as compared with the number of students enrolled, and the number of students with referred passes represented 19 per cent.
- (ii) Examination results of the diploma courses conducted in the year 2014, had not been made available to audit.
- (iii) In terms of the Circular, No. TVET/1/᠑.᠙᠙/2004/1 of the Secretary to the Ministry of Technical Education and Training, dated 28 January 2014, it is emphasized that the number of students who should benefit from a course at its completion, should not be less than 70 per cent. Nevertheless, the Department had failed to reach that target.

- (iv) All of the 485 students who had sat for examinations in respect of 16 courses conducted in the preceding year at 29 Technical Colleges / Colleges of Technology, had failed their examinations. Of those students, 149 and 84 students had followed the courses NCECP - Gas and Arc Welder, and NC in Technology (Civil) respectively.

d) **Students drop out the Courses**

According to the information made available to audit, 10,637 of the 16,220 students enrolled for 38 courses, had sat the examinations. It was observed that 5,583 students of them, representing 34 per cent, had dropped out the courses. Comparatively, 33 per cent of the students enrolled in the year 2013, had dropped out the courses. Information on the students dropped out other courses, had not been made available to audit.

e) **Accreditation of the Courses**

In terms of the Vocational Qualifications Circular, No. 01/2013 of the Tertiary and Vocational Education Commission, dated 26 February 2013, all of the courses should be accredited. Nevertheless, 200 of the 670 courses conducted at 39 Technical Colleges / Colleges of Technology, had not been accredited up to the date of audit, 01 August 2016. As such, it was observed in audit that the opportunity for ascertaining a certificate of national level, had been deprived of.

3.11 Irregular Transactions

It was observed in the examination of the running charts that a motor vehicle belonging to the Technical College, Monaragala, had been used to travel for 3807 Km burning 421.6 liters of fuel without approval of the Director General of the Department during the period from 23 July 2015 to 30 August 2015 for activities relating to the general election held on 17 August 2015.

3.12 Deviation from the Government Procurement Procedure

The following observations are made.

- (a.) A television set, a mobile phone, and a tablet pc valued at Rs. 365,784 had been procured for the Department on 14 December 2015. Those procurements had not been made in accordance with the Government Procurement Guidelines. The tablet pc purchased, had not been used for the intended purpose even up to 31 May 2016, the date of audit.
- (b.) A sum of Rs. 365,784 had been incurred in the year under review for purchasing furniture. It was revealed in the examination of the relevant files that specifications had not been prepared for those furniture. The procurement had been made by

deviating from the provisions of the Government Procurement Guidelines without obtaining the recommendations of the Technical Evaluation Committee or the Procurement Committee.

- (c.) Seven chairs used by the staff , and 30 chairs used for seminars received by the stores in the year under review, had been purchased for sums of Rs. 47,250, and Rs 178,500 respectively. Even though those chairs had not been supplied in compliance with the specifications, the supplier had been paid in that connection.
- (d.) The total cost estimate prepared in accordance with Guideline 8.13.4 of the Government Procurement Guidelines, for repairing the Self Moving Workshop of the Technical College, Maradana, amounted to Rs. 4,914,215. A total of Rs. 2,031,837 had been overpaid by exceeding the estimated value including sums of Rs. 1,042,597 and Rs. 989,240 for 20 items of work included in the estimate, and 27 items of work not included in the original estimate respectively.

3.13 Human Resource Management

(a.) Approved Cadre and Actual Cadre

The position of cadre as at 31 December 2015, had been as follows.

| | Category of Employee | Approved Cadre | Actual Cadre | No. of Vacancies | Cadre in Excess |
|-------|----------------------|----------------|--------------|------------------|-----------------|
| (i) | Senior Level | 313 | 685 | 754 | 126 |
| (ii) | Tertiary Level | 144 | 24 | 120 | - |
| (iii) | Secondary Level | 1,272 | 849 | 426 | 03 |
| (iv) | Primary Level | 1,167 | 1,014 | 182 | 29 |
| | Total | 3,896 | 2,572 | 1,482 | 158 |

The following observations are made in this connection.

- (i) Although the excess cadre had been 158, one hundred and twenty four of them had been attached to the Technical Colleges, and Colleges of Technology by 28 February 2016. According to the approved cadre, one post of Assistant / Deputy Director (Planning) had existed, but as the officer holding that post had proceeded abroad for a period of 05 years from 05 January 2015, another officer had been appointed to that post. In addition to that, 32 excess cadres belonging to the secondary and primary levels, had been appointed to unapproved posts.
- (ii) By the end of the year under review, 211 posts of Lecturers, and 310 posts of Instructors had remained vacant at Technical Colleges and Colleges of Technology, and Visiting Lecturers had been appointed therein. The following information was observed in that connection.

- Appointments of the Visiting Lecturers for the relevant subjects at the Technical Colleges, and Colleges of Technology under the Department, had been made by the Director / Principal of that College. It was observed in audit that provisions for making payments for those Lecturers had been obtained from the Head Office, and, as such payments had been made based on the educational qualifications, the Head Office had not examined the accuracy of the calculated payments made to the Lecturers.
 - As Visiting Lecturers had been appointed on the discretion of the Principal / Director of the Technical College / College of Technology, it was observed that an evaluation had not been carried out in respect of the professional qualifications of the Lecturers appointed by those Colleges, along with the efficiency and effectiveness of the lectures being delivered. According to the internal audit reports, the authenticity of the certificates of the Visiting Lecturers had not been verified through the relevant institutions.
- (b.) The Department had not taken action even up to September 2016 on the irregularities taken place with respect to confirmation of service, promoting, and granting salary increments to an officer appointed to a post of buildings consultant in the Sri Lanka Technical Education Service on 01 December 1987.
- (c.) In terms of Section 3.8.2 of Chapter III of the Establishments Code, transfers should be given based on the maximum period of service fixed in each category of station, but according to the internal audit reports, 18 officers of the academic staff, and 40 officers of the non-academic staff pertaining to 07 Technical Colleges / Colleges of Technology, had remained fixed at the same station over a period of 10 years.