

## Report of the Auditor General on Head 6 – Public Service Commission – Year 2015

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The audit of the Appropriation Account and the Reconciliation Statements including the financial records, books, registers and other records of the Head 6 - Public Service Commission 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 Secretary to the Commission on 20 July 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 for the Accounts and Reconciliation Statements.

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The Chief Accounting Officer is 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

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### 2.1 Appropriation Account

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#### Total Provision and Expenditure

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The total net provision made for the Commission amounted to Rs.422.64 million and out of that Rs.210.62 million had been utilized by the end of the year under review. Accordingly, the savings out of total net provision of the Commission amounted to Rs.212.02 million or 50 per cent. Details appear below.

As at 31 December 2015

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Expenditure	Net Provision	Utilization	Savings	Savings as a Percentage of Net Provision
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	Rs. Millions	Rs. Millions	Rs. Millions	
Recurrent	141.54	140.15	1.39	0.98
Capital	281.10	70.47	210.63	74.93
Total	422.64	210.62	212.02	50.17
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## 2.2 Advance Account

### Advances to Public Officers Account

#### Limits Authorized by Parliament

The limits authorized by Parliament for the Advances to Public Officers Account of the Commission under Item No.00601 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
7.50	7.50	3.74	5.18	33.00	21.21

## 2.3 General Deposit Accounts

The balance of the 03 Deposit Accounts under the Commission as at 31 December 2015 totalled Rs.6.85 million. Details appear below.

Deposit Account Number	Balance as at 31 December 2015
	Rs. Millions
6000/0000/00/0002/0081/000	0.008
6000/0000/00/0013/0051/000	0.008
6000/0000/00/0016/0068/000	6.835
Total	6.851

## 2.4 Audit Observation

The Appropriation Account and the Reconciliation Statements for the year ended 31 December 2015 of the Public Service Commission had been satisfactorily prepared subject to the audit observations appearing in the Management Audit Report referred to in paragraph 1.1 above. The material and significant audit Observations out of the observations included in the Management Audit Report appear in paragraphs 3.

### **3. Material and Significant Audit Observations**

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#### **3.1 Reconciliation Statement of the Advances of Public Officers Account**

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It was observed during the audit test checks carried out relating to the Reconciliation Statement of the Advances to Public Officers Account, Item No.00601 as at 31 December 2015 that, the Office of the Commission had failed to recover the distress loan amounting to Rs.32,320 recoverable from an officer who vacated the post before 14 years even by 31 December 2015.

#### **3.2 Good Governance and Accountability**

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##### **3.2.1 Annual Action Plan**

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The Commission had not prepared the annual Action Plan in terms of the Public Finance Circular No. 01/2014 dated 17 February 2014.

##### **3.2.2. Audit and Management Committee**

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Even though the Audit and Management Committee meetings should be held at least once in quarter in terms of the Management Audit Circular No. DMA/2009/(1) dated 09 June 2009, only 02 meetings of the Committee had been held for the year 2015.

### **3.3 Non- compliances**

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#### **Non- compliance with Laws, Rules, and Regulations**

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Instances of non – compliances with the provisions in laws, rules and regulations observed during the course of audit test checks are analyzed below.

##### **Reference to Laws, Rules and Regulations**

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##### **(a) Public Administration Circulars.**

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Circular No 41/90 dated 10 October 1990

##### **Non – compliance**

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Fuel consumption in respect of a vehicle had not been checked once in 6 months.

##### **(b) Management Audit Circular**

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No. DMA/2009(1) dated 09 June 2009

Cost reports for the vehicles belonging to the Commission had not been prepared.

### 3.4 Performance

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Three hundred and seventy Disciplinary Actions had been resolved during the year 2015, while number of Disciplinary Actions to be resolved by 31 December 2015 amounted to 385. Out of the 181 new Recruitment Procedures, 96 Procedures had been returned to the Ministries to correct the deficiencies while action of 22 procedures are being performed. Accordingly, 118 new Recruitment Procedures could not be approved. Four new Service Minutes out of 9 and 5 Transfer Procedures out of 8 also could not be approved. Out of 2272 appeals, received by the Appeals Section of the Commission, 1451 appeals had been resolved while the work of 821 appeals had not been finalized.

### 8.8 Human Resources Management

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#### Approved Cadre and Actual Cadre

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

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
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(i) Senior Level	40	35	05
(ii) Tertiary Level	07	06	01
(iii) Secondary Level	97	96	01
(iv) Primary Level	48	34	14
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Total	192	171	21
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