

## Report of the Auditor General on Head 275 – District Secretariat Polonnaruwa – Year 2016

Head – 275 The audit of the Appropriation Account, and the Reconciliation Statements including the financial records, books, registers and other records of the District Secretariat Polonnaruwa for the year ended 31 December 2016 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 District Secretary on 16 June 2017. 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

#### (a) Total Provisions and Expenditure

The total net provision made for the District Secretariat amounted to Rs. 6,063.74 million out of which, a sum of Rs. 3, 876.14 million had been utilized by the end of the year under review. Accordingly, savings from the net provision amounted to Rs. 2,187.60 million or 36.08 per cent. Details are as follows.

Expenditure	As at 31 December 2016			Savings, as a Percentage of Net Provision
	Net Provision	Utilization	Savings	
	Rs. millions	Rs. millions	Rs. millions	
Recurrent	369.80	363.81	5.99	1.62
Capital	5,693.94	3,512.33	2,181.61	38.31
<b>Total</b>	<b>6,063.74</b>	<b>3,876.14</b>	<b>2,187.60</b>	<b>36.08</b>

**(b.) Utilization of Provision Made Available by Other Ministries and Departments**

Provisions totalling Rs. 1,308.98 million had been made available for the District Secretariat for various activities by 23 other Ministries and 18 Departments. Provisions valued at Rs. 1,144.58 million therefrom had been utilized

**2.2 Advances Account**

**2.2.1 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. 27501 of the District Secretariat and the actual amounts are given below.

<b>Expenditure</b>		<b>Receipts</b>		<b>Debit Balance</b>	
<b>Maximum Limit</b>	<b>Actual</b>	<b>Minimum Limit</b>	<b>Actual</b>	<b>Maximum Limit</b>	<b>Actual</b>
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Rs. millions	Rs. millions	Rs. millions	Rs. millions	Rs. millions	Rs. millions
25.00	25.00	16.50	18.84	120.00	83.45

**2.3 General Deposit Account**

The balances of 07 Deposit Accounts of the District Secretariat as at 31 December 2016 amounted to Rs. 259.33 million. Particulars are given below.

<b>General Deposit Account No.</b>	<b>Balance as at 31 December 2016</b>
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	<b>Rs. Million</b>
6000/0000/00/0001/0116/000	1.99
6000/0000/00/0002/0164/000	11.05
6000/0000/00/0013/0118/000	55.57
6000/0000/00/0016/0108/000	189.11
6000/0000/00/0017/0030/000	0.96
6000/0000/00/0018/0108/000	0.54
6000/0000/00/0019/0026/000	0.11
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<b>Total</b>	<b>259.33</b>
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## 2.4 Audit Observation

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The Appropriation Account and the Reconciliation Statements of the District Secretariat, Polonnaruwa for the year ended 31 December 2016 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

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The following Registers had not been maintained by the District Secretariat, Polonnaruwa, and 07 Divisional Secretariats. It was observed in audit test checks that certain Registers had not been maintained properly in an up-to-date manner.

Type of Register	Relevant Regulation	Observation
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(a) Register of Fixed Assets	Treasury Circular, No. 842, dated 19 December, 1978	Had not been maintained and updated by Divisional Secretariats of Elahara, and Medirigiriya.
(b) Register of Fixed Assets on Computer Accessories and Software	Treasury Circular, No. IAI/2002/02, dated 28 November, 2002	Had not been maintained by the Divisional Secretariat, Medirigiriya.
(c) Cash Book / Petty Cash Book	Financial Regulation 446	Cash Books had not been maintained by the Divisional Secretariat, Dimbulagala whilst Petty Cash Books had not been maintained by the Divisional Secretariats of Lankapura, Elahara, and Welikanda.
(d) Stock Book	Financial Regulation 751	Had not been maintained by the Divisional Secretariat, Welikanda.
(e) Security Register	Financial Regulation 891 (1)	Had not been maintained by the Divisional Secretariats of Lankapura, Hingurakgoda, Medirigiriya, Elahara
(f) Records of Losses	Financial Regulation 110	Had not been maintained by the Divisional Secretariat, Elahara, and Welikanda.
(g) Records of Liabilities	Financial Regulation 214	Had not been maintained by the Divisional Secretariats of Medirigiriya, Dimbulagala, and Elahara.

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|-----|--|---|--|
| (h) | Attendance Register of the Procurement Committee, and the Technical Evaluation Committee | Guideline 2.11.2 of the Government Procurement Guidelines | of the Procurement Divisional Secretariats of Thamankaduwa, Lankapura, Medirigiriya, Dimbulagala, and Elahara. |
| (i) | Register of Bidding Documents  | Guideline 5.2.1 of the Government Procurement Guidelines  | Had not been maintained by the Divisional Secretariats of Medirigiriya, and Elahara.                           |

### **3.2 Replies to the Audit Queries**

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Replies to 12 audit queries sent to the District Secretariat in the year under review, had not been furnished even up to 31 May, 2017. The value of the computable transactions relating to those queries amounted to Rs. 721,414,721.

### **3.3 Appropriation Account**

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#### **3.3.1 Budgetary Variance**

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Excess provision had been made for 05 Objects , and as such, the savings, after the utilization of provision, ranged between 28 per cent to 52 per cent of the net provision.

#### **3.3.2 Provisions Granted by Other Ministries and Departments**

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Provisions totalling Rs. 1,308.98 million had been granted to the District Secretariat by 23 Ministries and 18 Departments for miscellaneous activities, and a sum of Rs. 1,144.58 million had been utilized therefrom.

### **3.4 General Deposit Account**

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Action had not been taken in terms of Financial Regulation 571 with regard to deposits totalling Rs. 650,269 older than 02 years.

### **3.5 Reconciliation Statement of the Advances to Public Officers Account**

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The following deficiencies were observed during the course of audit test checks carried out with regard to the Reconciliation Statement of Item No.27501 – Advances to Public Officers Account as at 31 December 2016.

- (a) The loan balances recoverable from 15 deceased and retired officers of the District Secretariat and 5 Divisional Secretariats, totalled Rs. 2,139,467. Action had not been taken to settle those balances either from the commuted pension or the gratuity.
- (b) Loan balances totalling Rs. 1,304,643 that had remained outstanding over a period of 1-16 years with respect to 02 interdicted officers of 02 Divisional Secretariats, and 04 officers of the District Secretariat and 02 Divisional Secretariats who had vacated their posts, could not be recovered even by the end of the year under review.

### 3.6 Accountability and Good Governance

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#### 3.6.1 Internal Audit

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An Internal Audit Unit was functioning at the District Secretariat. However, adequate attention had not been drawn on the inspection of capital expenses amounting to Rs. 6,663.44 million.

### 3.7 Assets Management

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The following observations are made in the audit test checks conducted on the assets of the District Secretariat, Polonnaruwa, and the Divisional Secretariats functioning thereunder.

#### (a.) Idle and Underutilized Assets

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The assets remained either idle or underutilized are categorized below.

	Type of Asset	No. of Units	Period of Idle or Underutilization	
			Less than 03 Years	More than 03 Years
(i)	Quarters of the Divisional Secretary - Lankapura	01	01	-
(ii)	Government Quarters - Hingurakgoda	02	-	02
(iii)	Pritners	16	16	-
(iv)	CDMA Telephones	13	-	13
(v)	Post Sealers	01	01	-
(vi)	Roneo Machines	01	-	01
(vii)	Unusable Computers	03	03	-
(viii)	Computer Monitors	19	19	-
(ix)	UPS	30	30	-
(x)	CPU	24	09	15
(xi)	Photocopiers	04	04	-
(xii)	Blood Pressure Meters	01	-	01
(xiii)	Air Conditioners	01	-	01
(xiv)	Water Purifiers of 500 Liter Capacity	02	-	02
(xv)	Duplo Machines	01	01	-
(xvi)	Fax Machines	01	01	-
(xvii)	Olympia Typewriter	01	-	01
xviii)	Water Filter	01	01	-

#### (b.) Conducting Annual Board of Survey

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The report of the Board of Survey of the District Secretariat, Polonnaruwa, for the year 2016, had not been presented to the Auditor General even by 26 May, 2017.

### 3.8 Non-compliances with Laws, Rules, and Regulations

Instances of non-compliance with laws, rules and regulations observed during the course of audit are analyzed below.

<b>Reference to Laws, Rules, and Regulations</b>	<b>Value</b>	<b>Non-compliances</b>
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	<b>Rs.</b>	
<b>(a) Financial Regulations of the Democratic Socialist Republic of Sri Lanka</b>		
(i) Financial Regulation 237 (a)	445,462	Although 12 cheques had been issued to various institutions for purchasing goods under the programmes, the relevant goods had not been supplied to the office even by 28 February, 2017.
(ii) Financial Regulation 342 (5)	-	The used counterfoil books should be retained for 05 years. However, 108 counterfoil books issued by the Divisional Secretariat, Thamankaduwa, had not been returned to the Divisional Secretariat, whilst new books of receipt had been issued by the Divisional Secretariat, Hingurakgoda without accepting the used counterfoil books.
<b>(b) Public Finance Circulars</b>		
Circular, No. 03/2014 (1), dated 10 March, 2015.	71,592	Payments had been made on telephone bills of 04 Divisional Secretariats by exceeding the limit for the expenses on official telephones.
<b>(c) Circulars of the Secretary to the Ministry of Defence</b>		
Paragraph 4 (a) 5 of the Circular, No. CS/7/EX/1/38, dated 25 August, 2010	-	For an explosive permit issued under covering approval, not more than 10 detonators should be issued per week. However, the Controller of Explosives of the District Secretariat, had issued 8880 detonators in excess of that limit from January, 2015 to June, 2016.

- (d) **Circulars of the Secretary to the Ministry of National Policies and Economic Affairs**  
 Paragraphs 1 and 2 of the Circular, No. MNPEA/PLN/DCB/2015, dated 26 November, 2015 342,690 Equipment had been obtained by the Divisional Secretariat, Elahara for the Samurdhi offices in the year under review by utilizing the decentralized funds.
- (e) **Circular of the Commissioner of Inland Revenue**  
 Circular, No. Circular/UAT/2013/41, dated 03 April, 2014 521,376 Payments of VAT had been made to an inactive registeree in respect of 06 projects implemented under the Rural Infrastructure Development Programme.
- (f) **Notification of the Commissioner of Excise**  
 Excise Notification, LB/License/General/2016/02, dated 22 December, 2016. 1,625,000 Action had not been taken to recover license fees and stamp fees that should have been recovered by the Divisional Secretariat, Thamankaduwa for the year 2017 in respect of excise licenses.

### 3.9 Implementation of Projects under Domestic Financing

#### (a.) Abandonment of Projects without being Implemented

Of the 509 projects planned to be implemented in accordance with the development plan 2016/2017 of the Divisional Secretariat, Medirigiriya, 496 projects had not been implemented.

#### (b.) Abandonment of Projects without being Completed

The following observations are made.

- (i) Provisions amounting to Rs. 1,990,000 had been made on the project for constructing a community hall with a database in the vicinity of Girithale reservoir. A sum of Rs. 1,937,269 had been incurred therefrom by 25 January, 2017, and a physical progress of 25 per cent had been reported as at that date. The construction of the building had been halted due to objections raised by a nearby tourist hotel.
- (ii) Inspections had not been conducted on the activities of the rural organizations under the Gamidiriya Project implemented in the jurisdiction of the Divisional Secretariat, Medirigiriya by incurring a sum of Rs. 102,000,000. Due to that, it was not verified as to whether the expected objectives could be achieved from the funds amounting to Rs. 102,000,000 that had been spent.
- (iii) A workshop for manufacturing clay pots and decorative items had been established on 26 December, 2014 by the Divisional Secretariat, Elahara under the Rural Development Programme by spending a sum of Rs. 882,000. Even by 17 December,

2016, neither clay pots nor decorative items had been manufactured therein, and the land where the workshop had been established, had not been taken over by the Divisional Secretariat as well.

- (iv) A production facility for coir based products had been established in Attanakadawala, Kahatapitiya by the Divisional Secretariat, Elahara under the Rajarata Navodaya Programme-2013 by spending a sum of Rs. 980,000 without conducting a feasibility study. Electricity had not been obtained thereto, and no production had been made even by 31 December, 2016.
- (v) Although the E-Citizen programme had been implemented under the Local Economic Development Programme for Good Governance since 30 September, 2013, information relating only to 5 per cent of the population of the district had been computerized up to 31 December, 2016.

**(c.) Delays in Implementing Projects**

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Delays had occurred with respect to the following projects.

- (i) The Divisional Secretariat, Dimbulagala had purchased 8010 chicks at a cost of Rs. 2,563,200 for the low-income families in the area. Of those 8010 chicks, 3310 chicks had not been received by the Secretariat. Only 4700 chicks had been distributed up to 17 February, 2017, and 46 chicks had died in a sample of 105 chicks examined, whilst 59 of them stayed alive.
- (ii) Seven Sewa Piyasa Centers, 02 pre-schools, a stadium, 02 Dhamma school buildings, and a Mithuru Sansada building, had been constructed in the jurisdiction of the Divisional Secretariat, Thamankaduwa. As the essential constructions had not been made in those buildings, the buildings had remained unused even by the end of the year under review.

**(d.) Projects Without Progress Despite the Release of Money**

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The following observations are made.

- (i) Seventy seven roads paved with interlocking blocks had been constructed in the Divisional Secretariat, Thamankaduwa at an expenditure of Rs. 71,868,082. It was revealed in the physical inspection conducted on those roads that the concrete walls on the sides of 3 roads had severely cracked, whereas the shoulders of 02 more roads had not been properly constructed. The drainage system for another road had not been constructed as well to facilitate the flow of water.
- (ii) The Divisional Secretariat, Dimbulagala, had implemented 59 projects under phase 2 of the Road Development Project. The progress of those projects had been indicated as 100 per cent, but the progress of 51 roads had ranged between 40 per cent and 95 per cent. Quality assurance reports for interlocking blocks had been obtained in respect of only 08 roads in this Project. The quality assurance reports relating to the Divisional Secretariat, Thamankaduwa, had been obtained based on the samples presented by the supplier himself.



- (iii) The Divisional Secretariat, Dimbulagala had launched the project for constructing the Ellewawa Stadium. Windows, fans, electric meter, angle iron for electricity supply, and earth wire had not been fixed in accordance with the estimates of the said project.
- (iv) Sheets and a stock of plastic chairs valued at Rs. 859,055 had been purchased by the Divisional Secretariat, Dimbulagala by utilizing decentralized provisions. Those sheets and plastic chairs had been retained in the premises of the Secretariat even by 17 February, 2017 without being distributed to the beneficiaries.
- (v) Thirty four sewing machines had been purchased by the Divisional Secretariat, Dimbulagala, in order to distribute among the self-employed persons by utilizing provisions valued at Rs. 1,000,000. A sample of 05 of them had been examined and found that no self-employment had been initiated by them by using the machines provided.

**(e.) Release of Funds Prior to Supplying Goods and Services**

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 The Divisional Secretariat, Dimbulagala had spent a sum of Rs. 448,950 on the project for renovating the textile building in Kalukele and supply of equipment, and payments had been made for obtaining handloom equipment. However, those equipment had not been received by that center even by 17 February, 2017.

**3.10 Weaknesses in Maintaining Bank Accounts**

**(a.) Balances to be Adjusted**

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 The information revealed in accordance with the analysis on the adjustments shown in the bank reconciliation statements prepared for December, 2016 by the District Secretariat, Polonnaruwa, and 07 Divisional Secretariats, is as follows.

Particulars on the Adjustments -----	Age Analysis -----		Total -----
	More Than 06 Months, Less Than 01 Year	More Than 01 Year, Less Than 03 Years	
	Rs.	Rs.	Rs.
(i) Cheques Not Presented for Payment Despite being Issued.	775,692	-	775,692

(ii) Unidentified Debits	375	1,969	2,344
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<b>Total</b>	<b>776,067</b>	<b>1,969</b>	<b>778,036</b>
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### 3.11 Irregular Transactions

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Certain transactions entered into by the District Secretariat had been devoid of regularity. Several such instances observed are given below.

#### (a.) Deviation from the Government Procurement Guidelines

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The following observations are made in this connection.

- (i) A service provider had been selected by the District Secretariat without calling for bids for supplying architectural services to the Pibidemu Polonnaruwa Development Project. A sum of Rs. 4,660,011 had been paid by the District Secretariat on 26 December, 2016 for obtaining the said service.
- (ii) A contractor had been selected for the contract valued at Rs. 15,225,000 for transporting and unloading 525,000 interlocking blocks of the type 25 N at the sites for the implementation of Stage II of the Divisional Secretariat, Medirigiriya. The contractor had quitted the contract, but action had not been taken by the Divisional Secretariat to blacklist the said contractor. As such, the contractor selected subsequently had been awarded the contract for the supply of interlocking blocks, but the contractor had not supplied the interlocking blocks as expected. Due to that, only 12 of the roads out of 35, had been completed by 31 December, 2016.
- (iii) A contractor had been selected by calling for bids on 02 March, 2016 for the construction of the building of the Divisional Secretariat, Elahara. Despite the failure of the contractor to complete the construction on time, his performance bond amounting to Rs. 672,665, had been released. Bids had been called again for the construction, and another contractor had been selected, but works had not been completed even by 18 May, 2017 although the project should have been completed by 28 December, 2016. The new contractor had been paid a sum of Rs. 1,420,650 for aluminium works, but that item of work had not been executed.
- (iv) Advances totalling Rs. 2,723,000 had been paid to the contractors contrary to the Guideline 3.4.3 (c) of the Government Procurement Guidelines, without obtaining advance securities in respect of 17 projects under the Rural Infrastructure Development Programme implemented by the Divisional Secretariat, Elahara.

#### (b.) Unauthorized Transactions

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In terms of Paragraph 04 of the Public Administration Circular, No. 13/2008, dated 26 June, 2008, officer with assigned vehicles, should not use pool vehicles. However, the Divisional

Secretary, Dimbulagala had used a pool vehicle in 25 instances during the year under review without obtaining the approval of the District Secretary.

### **3.12 Uneconomic Transactions**

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The following observations are made in the audit test checks conducted in respect of the transactions of the District Secretariat.

- (a.) Although the District Secretariat and the Divisional Secretariats had owned public address systems, a sum of Rs. 360,000 had been spent on public address systems obtained on rent in 05 instances for various ceremonies held by the District Secretariat.
- (b.) The 02 bidders who had presented the lowest bids for the purchase of interlocking blocks to be used for the roads under stage 2 of the rural road development programme initiated by the Divisional Secretariat, Hingurakgoda, had later quitted, but no action had been taken to blacklist them, and accordingly, the bidder with the third lowest bid had been selected. Five interlocking blocks randomly selected from the blocks supplied by him had been sent for quality assurance test, and it was observed that 4 of the blocks or 80 per cent, had not complied with the required Newton power.
- (c.) A sum of Rs. 567,785 had been spent in the year under review on the janitorial and landscaping activities of the Divisional Secretariat, Medirigiriya. However, many mosquito breeding places had been observed in the sample check conducted. The arrival and departure time of the sanitary labourers had not been recorded, and activities relating to the cleaning had not been planned to ensure a proper and responsible janitorial service.

### **3.13 Transactions in the Nature of Financial Fraud**

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Thirty three cheques valued at Rs. 7,493,178 and written before 31 December, 2016 in respect of the payments of the District Secretariat, and the Divisional Secretariats of Dimbulagala, and Elahara, had been retained at hand even by 28 February, 2017.

### **3.14 Losses and Damages**

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The following observations are made.

- (a.) A Cab belonging to the District Secretariat had met with an accident on 31 October, 2013, whilst another Cab had met with an accident on 22 June, 2014. No action whatsoever had been taken by the District Secretariat even up to 31 March, 2017 to recover the indemnity of Rs. 173,492 from the insurance company in respect of the damages caused in the said accidents.
- (b.) The Board of Inquiry had recommended that the damage of Rs. 230,000 caused to the Cab belonging to the Divisional Secretariat, Dimbulagala that had met with an accident on 25 July, 2011, should be recovered from the officer responsible, but no action whatsoever had been taken by the District Secretariat even up to 31 March, 2017. Even after a lapse of more than 6 years since the date of accident, the unrepaired Cab remained parked without being covered at the premises of the Divisional Secretariat, Dimbulagala, and was decaying.

- (c.) In accordance with the recommendation of the enquiry conducted on 15 August, 2014 with respect to the Cab belonging to the District Secretariat that had met with an accident, it had been decided that the damage of Rs. 149,450 be recovered from the driver. However, even by 31 March, 2017, the date of audit, action had not been taken to recover that damage from the driver.
- (d.) A damage of Rs. 349,495 had been caused as a Cab belonging to the District Secretariat had met with an accident on 09 February, 2005. The owner of the other vehicle that the Cab had collided with, had agreed to pay a sum of Rs. 100,000, but action had not been taken by the District Secretariat to obtain that money. The District Secretariat had not taken action even by the end of the year under review to recover the loss from the officers responsible for the failure to recover the said loss recoverable to the Government.
- (e.) A preliminary report on the computer that had been stolen on 12 May, 2014 had been furnished to the District Secretariat by the Divisional Secretariat, Dimbulagala on 06 July, 2015. Although a reminder had been sent on 25 April, 2016, no action whatsoever had been taken in that connection even by the end of the year under review.
- (f.) A sum of Rs. 1,485,000 had been spent to fix a new tank with the capacity 7,500 liters to the water bowser owned by the Divisional Secretariat, Dimbulagala. The capacity of the tank fixed had been 5970 liters, but no action whatsoever had been taken in the year under review as to the fixing of a low-capacity tank for the same price. Furthermore, the tank removed had not been handed over as well.
- (g.) As the paddy purchased in the Maha Season 2014/2015, had been stored in the stores over an extensive period, the paddy had become dried and been sold at a price less than the price of purchase; thus causing a loss of Rs. 104,095,109.

### **3.15 Management Inefficiencies**

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The following observations are made.

- (a.) Four Grama Niladharis had been taken into custody and produced before Court on 25 May, 2016 in connection with providing bogus certificates of residency for 02 persons intending to proceed abroad and not residing in the jurisdiction of the Divisional Secretariat, Lankapura. Although a draft charge sheet had been sent through the Letter No. HAF-3 DICIP/02-021-iv of the Ministry of Home Affairs, dated 08 November, 2016 to take disciplinary action, the charge sheet had not been handed over and a disciplinary inquiry had not been conducted even by 03 April, 2017.
- (b.) As a Grama Niladhari proposed to the post of Administrative Grama Niladhari of the Divisional Secretariat, Dimbulagala, had been a female, she had not been appointed to that post; instead, a Grama Niladhari, low in seniority had been appointed to that post.
- (c.) Of the provisions made for the Kiri Weeduruwa (Glass of Milk) Programme implemented in the year 2016, a sum totalling Rs. 1,605,378 had been saved. The Kiri Weedurwa Programme had been implemented only at 51 out of 219 preschools in the jurisdictions of the Divisional Secretariats of Thamankaduwa, Elahara, Dimbulagala, and Lankapura.

- (d.) Four hundred and eighty five land Permits had been requested in respect of the Divisional Secretariat, Thamankaduwa by 23 December, 2016 for the period 2014-2016, but only 135 Permits had been granted. No Permit or Grant had been provided for the applicants under the Land Development Ordinance and the Land Act.
- (e.) The house rent in arrears amounting to Rs. 153,600 recoverable from an officer occupied a Government quarters belonging to the Divisional Secretariat, Medirigiriya, had not been recovered.
- (f.) The goods purchased by the Divisional Secretariat, Elahara incurring a sum of Rs. 314,719 in the year 2016 in order to distribute among voluntary organizations, had remained idle at the stores even by 28 February, 2017 without being distributed to the relevant organizations.
- (g.) Goods valued at Rs. 289,084 had been purchased by the Divisional Secretariat, Elahara for providing self-employment assistance under the Programme for the Empowerment of Widowed and Women Headed Families. Those goods remained at the stores even by 28 February, 2017 without being granted to the relevant parties.
- (h.) A sum of Rs. 42,127,825 remained receivable with respect to the paddy supplied by the District Secretary, Polonnaruwa to the Food Commissioner's Department during the years 2000-2007. Those monies could not be recovered even up to 31 March, 2017.
- (i.) Provisions amounting to Rs. 750,000 had been obtained for the project of renovating the sewerage canal – RB 07 in Vijayabahupura without a feasibility study. A sum of Rs. 748,250 had been incurred thereon in the year under review. As a stretch of 1.5 Km of the canal, had not been renovated at the commencement of the project, the risk of flood remained same at that stretch.
- (j.) Under the Yali Pibidemu Project, 04 voluntary organizations registered with the Divisional Secretariat, Hingurakgoda, had been granted loans totalling Rs. 2,575,000. Those organizations had not functioned actively, and the recovery of loans had remained unsatisfactory.
- (k.) The Laptop, charger and the bag, the CDMA phone, and the keyboard used by the Divisional Secretary, Dimbulagala who had been transferred, on 17 March, 2015, had not been handed over. However, no action whatsoever had been taken even by the end of the year under review in that connection.
- (l.) Goods valued at Rs. 117,000 had been granted by the Divisional Secretariat, Medirigiriya to 02 unregistered voluntary organizations under the decentralized funds.
- (m.) Fifty four Land Permits and 13 Grants had been retained at the Divisional Secretariat, Thamankaduwa without being given to the beneficiaries. A number of 2234 beneficiaries had applied for Permits during the years 2014-2016. Of 495 Permits approved, 282 Permits had not been prepared. About 246 applications received in the years 2014, 2015, and 2016 for Grants, had remained in the initial stages.
- (n.) A proper estimation on the persons without identity cards in the jurisdiction of the Divisional Secretariat, Thamankaduwa, had not been obtained. Information relating to the 1393

beneficiaries had been collected by the Mobile Service conducted in July, 2016, and sent to the Department for Registration of Persons, but identity cards had not been received even by 08 March, 2017.

- (o.) Bills valued at Rs. 155,133,313 relating to 90 projects implemented by the Divisional Secretariats of Thamankaduwa and Dimbulagala during the year ended 31 December, 2016, had been retained at hand without being settled even by 08 March, 2017 and 20 February, 2017.
- (p.) Taking action in terms of Financial Regulation 104 and 109 on 19 vehicle accidents in respect of the District Secretariat, Polonnaruwa, and the Divisional Secretariats, had been delayed over a period of 01 – 10 years.
- (q.) The final reports of the Boards of Inquiry relating to 06 vehicle accidents of the District Secretariat and the Divisional Secretariats, had not been given up to 31 March, 2017 even after a lapse of 03 years since the date of appointing the Boards of Inquiry.

### 3.16 Human Resource Management

#### Approved Cadre and the Actual Cadre

The position of cadre as at 31 December 2016 appears below.

	Category of Employee	Approved Cadre	Actual Cadre	No. of Vacancies
(i)	Senior Level	41	34	07
(ii)	Tertiary Level	29	21	08
(iii)	Secondary Level	978	723	255
(iv)	Primary Level	94	84	10
	<b>Total</b>	<b>1,142</b>	<b>862</b>	<b>280</b>

The following observations are made.

- (a.) The number of posts of Divisional Secretary approved for the Polonnaruwa district, had been 07. Out of that, acting appointments had been made for 04 of those posts over a period of more than 01 year contrary to Section 13.2 of Chapter II of the Establishments Code.
- (b.) Seventeen officers had been attached to the District Secretariat over a period of more than 05 years without being transferred in accordance with the scheme of annual transfer.
- (c.) Duties had not been assigned in writing to the Economic Development Officers assigned to the Divisional Secretariat, Hingurakgoda in the year under review.