

Head 120 - Report of the Auditor General on Ministry of Women and Child Affairs - Year 2017

The Appropriation Account and the Reconciliation Statement under Head and Item Number stated in the First Schedule and Third Schedule of the Appropriation Act, No. 24 of 2016 as amended by the Appropriation (Amendment) Act, No. 32 of 2017 were presented to Audit by the Ministry of Women and Child Affairs. The financial and physical performance reflected by those accounts and the reconciliation statements were audited in terms of Article 154 (1) of the constitution of the Democratic Socialist Republic of Sri Lanka.

1.2 Responsibility of the Chief Accounting Officer on the Financial Management and Accountability

The Minister of the Finance is charged with the raising of Revenue and the collection of other Government monies as well as with the general oversight of all the financial operations of Government in terms of Financial Regulation 124 of the Democratic Socialist Republic of Sri Lanka. The Chief Accounting Officers have been appointed by the Minister of the Finance to discharge the above responsibility in terms of Financial Regulation 124(2). The Head of the Department will be the Accounting Officer in respect of all the financial transactions of his Department in terms of Financial Regulation 125(1) (a) and the Revenue Accounting Officer has been appointed by the Treasury. This responsibility includes designing, implementing and maintaining internal controls relevant to the maintenance, preparation and fair presentation of Accounts and Reconciliation Statements presented within the limitations imposed by parliament 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, Government Financial Regulations and Administrative Regulations.

1.3 Scope of Audit

The audit of Ministry of Women and Child Affairs - Head 120 for the year ended 31 December 2017 was carried out in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka in respect of designing of financial and physical performance, Government expenditure, Government revenue, management of human and physical resources, apply of internal control systems, compliance with laws, rules and regulations and maintenance of books, registers, records and reconciliation statements in an updated manner, preparation and presentation of accounts in timely manner, issuance of performance reports to respective parties based on the performance indicators. The Management Audit Report for the year under review was issued to the Secretary of the Ministry on 11 June 2018. The audit observations, comments and findings on the accounts and the reconciliation statements were based on a review of the plans, accounts, reconciliation statements and performance reports 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.

1.4 Audit Observations

The audit observations of the Ministry of Women and Child Affairs for the year ended 31 December 2017 revealed in audit appear in Management Audit Report in detail, mentioned in paragraph 1.3 above. The material and significant audit observations out of the audit observations included in the Management Audit Report appear in paragraph 2.1 to 2.9 of this report. It was observed that, the accountability as the Chief Accounting Officer and Accounting Officer had been satisfactorily executed, to ensure the adequacy of the financial control satisfactorily subjected to the following summarized audit observations revealed in the execution of the provisions of the Financial Regulations 128 of the Financial Regulations of the Democratic Socialist Republic of Sri Lanka.

Accountability of the Chief Accounting Officer in terms of Financial Regulation 127	Non-compliance with that provision by the Chief Accounting Officer	Reference to the paragraph included observation
127(1)(a) All financial works are planned to ensure that the business is transacted with correctness and financial propriety.	<ol style="list-style-type: none"> 1. Non-preparation of procurement plan properly 2. Non-maintenance of Registers and Books 	2.2.1 2.5
127(1)(b) A system which provides adequate controls over expenditure and the collection of revenues.	<ol style="list-style-type: none"> 1. Non-compliance 2. Human Resources Management 	2.6 2.9
127(2) Existing items of expenditure, as well as proposals for new or increased expenditure in the departments under his control are closely examined in the Ministry from the points of view of economy and efficiency.	<ol style="list-style-type: none"> 1. Non-achieving objectives 2. Key functions not executed adequately 3. Implementing procurement procedure 4. Un-economic transactions 	2.1(a) 2.1(b) 2.2.2 2.4
127(3) An arrangement is made that all cases of doubt or problems aroused are referred to him so that he may bring his own administrative experience and judgment to bear on them.	<ol style="list-style-type: none"> 1. Assets Management 	2.3

127(5)	Important variations between departmental estimates and expenditure receive critical examination at the Ministry.	1. Made excess provisions 2. Under utilized provisions made by the departments	2.7(a) 2.7(b)
127(7)	The procedure laid down in Financial Regulations 103 to 108 is followed by the Accounting Officers, in case of losses caused to Government by the delays, negligence, fault or fraud on the part of officers/ employees and surcharges are imposed on the officers/ employees responsible for such losses in terms of F.R. 156(1). It is also a duty of the chief Accounting Officer to appear before the committee on Public Accounts and to assist it along with his Accounting Officer in explaining and justifying the accounts of the department for which he is responsible.	Transactions of 2.8 contentious Nature.	2.8

2 Material and significant Audit Observations

2.1 Performance

Key functions not executed

(a) Failure to achieve the Main Objectives

Even though the mission of the Ministry is formulating, executing and regulating provisions and policies aligned to practices of good governance to ensure the rights of children and women, enforcement of laws and policies formulated for ensuring, protecting and promoting the rights of children and women had not been implemented.

(b) Key Functions not executed adequately

The following observations are made.

- (i) Provisions amounting to Rs. 30 million had been made for the payment of a monthly allowance of Rs. 250 in respect of 10,000 preschool teachers. Nevertheless, the teachers to whom the allowance should be paid had not been identified even by the end of the year under review and as such, allowances totalling Rs.16.50 million had been paid to only 5,636 preschool teachers.
- (ii) Even though the implementation of welfare and rehabilitation programs and protection for the destitute women and children is a key function of the Ministry, it was revealed that 1514 number of various types of incidents in districts violation against women over the phone number of 1938 and to the complaint centre in the committee of women in the Ministry in the year 2017. Out of the amount solved that, the data base had not been maintained and follow up actions had not been taken. As well the number of incidents of violation against women child abuse faced by women and children exposed by newspapers had been 2,456 in the year 2016. It was 3,046 number in 2017. It was observed that the increase of 24 percent to the previous year respectively.
- (iii) Non governmental organizations, private institutions and various persons had given aids of goods for flood affected children and women in May 2017. In the physical verification done on 21 August 2017. It was observed that a large quantity out of these aids had not been distributed.
- (iv) The State Defense Ministry had given 6000 of exercise books for distributing flood affected children by letter No. 540/D/DEV/09/DSC of 27 June 2017 and out of that stock only 98 books had been distributed for 28 children, balance of 5902 books were handed over to the department of probation to distribute for pre school aged children who are in children's homes.
- (v) Provisions had been requested from the provision of supplementary estimates for the distribution of immediate relief packages for flood affected children and women a sum of Rs. 11 million out of that had been saved by the end of the year under review.
- (vi) Provisions amounting to Rs. 3.5 million had been made for an Alternative Income Generating Programme for women who are willing to go abroad and 140 projects had been planned. Even though a provision of Rs. 3.497 million had been made for 140 beneficiaries according to the progress reports presented by the Ministry, only Rs. 2.73 million had been given for 108 beneficiaries and out of them 9 projects had been failed according to the information provided to an audit.

- (vii) For the purpose of economic empowerment of estate women, provision of Rs. 2.13 million had been made over the district secretariats for 307 of beneficiaries during the year under review for programmes such as sawing, food production, poultry, goat farming, bee keeping and beauty culture. Written evidence of including signatures of beneficiaries who had received eggs, animal seeds and tools had not been furnished. A process of follow up actions had not been implemented whether obtained their main objective of empowering women and problems faced while carrying out businesses.
- (viii) Provisions of Rs. 2.2 million for the project of “Thirasara Krushi” programme had been made for the purpose of improving economic empowerment of women and contributing women for the economic development of the country, during the year under review. A sum of Rs. 2.174 million had been granted to divisional secretariats for the cultivation of beetle, paper, cinnamon, rose flower and project of medicines. Even though 382 of beneficiaries had been granted benefits for 20 agricultural projects, according to the progress reports it was observed weaknesses of unavailability of evidence relating to the receiving of plants for beneficiaries, unreconcile the eligibility of plants, unavailability of information relevant to conducting training programmes, progress of projects and taking proper follow up actions, accurate posting system of recovering money was inadequate.
- (ix) Provisions amounting to Rs. 4.86 million for 343 beneficiaries through the divisional secretariats for 19 projects of cane production, mushroom production, sawing mosquito nets and footwear production for the purpose of economic and social empowerment of women in 2017. Never the less according to the progress reports of the fourth quarter it was mentioned that Rs. 4.97 million had been spent for 576 beneficiaries under 20 projects. There had not been furnished written evidence of signature sheets of participants for training programmes, machines and tools handing over to beneficiaries. Although 50 percent out of the provisions given to them should have been recovered as an installment basis. Details of about had not been furnished and progress of the project once in three months and taking follow up actions had not been reported to the ministry by the women development officer and the relief compilation.
- (x) Even though provisions amounting to Rs. 4.3 million had been made for the conduct of programmes ensuring the protection and rights of children, a sum of Rs. 3 million had been granted from the treasury as an imprest in April 2017. As the action plan had been prepared for 2017 it self, Spending of above provision had been started from the month of July and a sum of Rs. 1.1 million had been returned to the treasury without being spent by the end of 31 December 2017.

2.2 Procure supply and services through procurement procedure

2.2.1 Planning of procurement and initial stage

A procurement time schedule had not been prepared in detail according to the period of purchasing items in terms of the paragraph 4.2.2. (a),(b) of the Government Procurement Guide line.

2.2.2 Implementing procurement procedure

- (a) In the procurement procedure worth of Rs. 6.7 million cupboards for Early Childhood Development officers, preparing bid document, evaluating and approving and forwarding to Technical Evaluation Committee had not been followed procurement guide line No.2.6.(i), a (ii) as well in terms of 6.3.1 of the procurement guide line there were evidence to verify the requests of quotations posted or handed over inviting of bidders and opening of bidders had been done contrary to the 6.3.2 guide line of the procurement guide line.
- (b) A sum Rs. 1.17 million procurement relevant to the Early Childhood Development had not been included in to the procurement plan. In order to 6.3.4 guide line of the procurement guide line, description of goods had not been included when calling bidders and required specimens had not been used for opening of bidders had been postponed contrary to the 6.3.3 guide line of the procurement guide line without clear explanations.
- (c) The exhibition of 40th anniversary celebration of open economic had been held four days from 27 July to 30 during the year under review. Quotation had been called to select an institute to prepare exhibition halls for that. The lowest evaluated bidder had been accepted and handed over contract value of Rs. 2.19 million, because of the weaknesses of the procurement procedure, Even though they had been informed that the exhibition hall should be handed over to the Ministry by the 27 July 2018. They had handed over the exhibition hall on 2nd day of the exhibition in 28 July 2018.
- (d) A sum Rs. 7.7 million had been spent for fitting of electrical utensils, furniture and equipment for the official residence of the Minister, without approving cost estimates. Drafting of bid documents, evaluating and approving had not been presented to the technical evaluation committee.

2.3 Assets Management

Misusage of vehicle

The Montero jeep which was assigned to the Hon. state Minister of child affairs had met with an accident in the year 2015. The report of the investigation had been presented by letter No. S/DIG/CP/C/417/2015 of 19 February 2016 by the senior Deputy Inspector General of Police (central province) relating to above accident. According to that report, in the event of this accident happened dated 10 March 2015 had been driven by a personal driver of another member of parliament. The Ministry had not been aware of the above vehicle which had been assigned for Hon. State Minister had used another member of parliament.

(b) Assets given to the external parties

17 of vehicles of the Ministry had been given to the external parties informally.

(c) Irregular usage of un transferred assets following observations are made.

- i. Without being transferred of land owned to Divisional Secretariat of Biyagama, a sum of Rs. 25 million had been incurred to build women hosted in the year 2001 and the land had not been transferred up to the date of audited on 25 July 2018.
- ii. Ministry had not taken suitable actions to transferred 13 of vehicles from other Ministries.

2.4 Un-economic Transactions

The following observations are made.

(a) Provisions of Rs. 1.53 million had been transferred to Divisional Secretariat of Ingiriya. A sum of Rs. 608,438 had been spent to buy roots of rush and a sum of Rs. 12,000 had been spent for training programme. It was observed that the expenditure for this project was an economy due to the starting without proper planning and the project had been unsuccessful.

(b) Provisions of Rs. 10 million under the object of “Diriya Kantha” and Rs. 1.00 million under the object of “Kantha Saviya” had been made under the matter of commemorating the national ceremony on international women’s day. The manner in which these provisions should be spend had not been prepared an expenditure plan and provisions had been sent for divisional secretariats of Matara for designing stage, loudspeakers & media, food and beverages those provisions/movies could have been spent on introducing sustainable strategies and implementing them for the resolution of serious social and economic issues faced by women.

- (c) The following programmes had been implemented relevant to the national week on Early Childhood Care and Development. A sum of Rs. 9 million had been spent there fore. Although it had been possibility to spend on resolution of serious social and economic issues faced by children. A sum of Rs. 9 million had been spent relevant to this week during the year under review including, (i) Programmes for policy making, (ii) Awareness programmes for pre school children, pre school teachers, parents of children, officers engaged in the field, pregnant mother and groups of youths, (iii) Aesthetic programmes for pre school children, (iv) Awareness programmes for all Active groups with in the model village (v) Bought 1000 No. of banners and note books, (vi) Provisions had been made for divisional secretariats for holding programmes simultaneously this week

2.5 Non - maintenance of Registers and Books

The Ministry had not been maintained the attendance register, reports of the committee meetings and the register of bid invitation in terms of guide line 2.11.2, 2.11.(3)(a) and 5.2.1 of the Government Procurement Guide line.

2.6 Non – compliance with Laws, Rules and Regulations

Even though the maximum assigned official vehicles for Hon. Minister and Deputy Minister were 3, in terms of paragraph 3.1 of the office of the presidential secretariats relevant to management of state expenditure circular No. CA/1/17/1 of 14 May 2010. 4 vehicles for Hon. Minister and 4 vehicles for Hon. State Minister had been assigned.

2.7 Provisions utilized for execute key functions, provided by the parliament

- (a) The entire provision of Rs. 33.00 million made for one object had been saved without spending.
- (a) Utilization of provisions made by other Ministries, Departments and District Secretariats
Provisions for printing posters for training Programme of female candidates who represented to the provincial election, Rs. 7.1 million had been made by the Ministry of provincial council and Local Government. Out of that only a sum of Rs. 1.44 million had been utilized during the year under review. As such a sum of Rs. 5.65 that is 79.58 percent of provisions granted had been saved. A sum of Rs. 0.99 million had been incurred for printing posters and Rs. 0.45 million had been spent as postal charges to send those posters to the Divisional Secretariats.

2.8 Transactions of Contentious Nature

Even though it was stated that the letter No. BD/HRD/120/02/01 of 26 January 2017 issued by the Director General of the budget with a copy of Cabinet Committee on Economic Management and the Cabinet of Ministers from the year 2017 additional provisions could not be granted, amounting to Rs. 10.14 million of supplementary provisions granted in the year 2016 for the purpose of procurement of furniture and equipment in respect of the official residence of the Minister and it was observed that a sum of Rs. 3.7 million out of that provision had been incurred for the construction of the parapet wall of the official residence of the Minister. But it was stated that by the letter No. MWCA/S/S/AD/ALL/2017 of without dated issued by the secretary of the ministry addressed to the Director General of Budget, the said expenditure had been incurred to install the pantry cupboards of the official bungalow. According to that rest of the supplementary provisions amounting to Rs. 6.4 million had been granted during the year under review and another sum of Rs. 2.828 million had been incurred to install the pantry cupboards during the year under review.

2.9 Human Resources Management

The position of approved, actual, vacant and excess cadre for the execution of functions of the ministry are as follows. A sum of Rs. 604 million had been incurred for personal emoluments object during the year under review. According to that, expenditure for a person had been Rs. 472,318.

	Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
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(i)	Senior Level	31	25	06
(ii)	Tertiary Level	17	13	04
(iii)	Secondary Level	1,437	1,174	263
(iv)	Primary Level	75	65	10
(v)	Casual/Contract	02	02	-
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	Total	1,562	1,279	283
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The following observations are made in this connection.

- (a) Even though the number of vacancies of Women Development Officers and Assistant Counseling Officers attached to the Divisional Secretariats had been mentioned as 263, the officers employed even by the end of the year under review had been 1,174. Further, a proper follow up action and supervision on the duties performed by those officers had not been carried out and adequate explanations had not been given by the reports that had been sent as well.

- (b) Vacancies existed in 06 posts of Officers of senior level and 04 posts of Officers of tertiary level in the Ministry. As such, it was observed that planning and supervision of activities relating to Ministerial functions performed by the divisional Secretariats and the activities of the Department of Probation and Childcare Services, National Child Protection Authority, Child Development Fund, Child Secretariat, Women's Bureau, Women's Committee and the Development Division could not be carried out properly.
- (c) Even though the capacity building of the cadre is a essential only 14 officers out of actual cadre of 1279 had been given 4 training programmes.