

Head 194- Report of the Auditor General – Ministry of Telecommunication and Digital Infrastructure Facilities - year 2017

The Appropriation Account and the Reconciliation Statements under the Head and the Subject Code mentioned in the First and Third Schedules of the Appropriation Act No.24 of 2016 amended by the Appropriation (Amended) Act No. 32 of 2017 had been presented to audit by the Ministry of Telecommunication and Digital Infrastructure Facilities. The Audit of the Financial and physical performance reflected by the said Accounts and Reconciliation Statements was carried out in pursuance of provisions in 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

According to the Financial Regulation 124 of the Financial Regulation of the Democratic Socialist Republic of Sri Lanka, Generating of State Revenue and Collecting of Sums Receivable to the Government and the General Check on the Supervision of all activities of the State Funds were assigned to the Minister of Finance. As per the Financial Regulation 124 (2), Chief Accounting Officers were appointed by the Minister of Finance to accomplish the said responsibility. In accordance with the Financial Regulation (125) (1) (a), The Head of the Department is the Accounting Officer of the all money transactions of his Department and Revenue Accounting Officer had been appointed by the Treasury. This responsibility is included planning, implementing and conducting the internal controls relating to maintain, prepare and fair presentation of Accounts and Reconciliation Statements presented after performing their duties within the limitations enacted by the Parliament in accordance with article 148,149,150 and 152 of the Constitution of the Democratic Socialist Republic of Sri Lanka, other Statutory Regulations, Government Financial Regulations and Administration Regulations.

1.3 Scope of Audit

The audit of the Ministry of Telecommunication and Digital Infrastructure Facilities – Head 194 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 to the Ministry on 28 September 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 test of samples of transactions. The scope and

extent of such review and tests were such as to enable as wide 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 Telecommunication and Digital Infrastructure Facilities for the year ended 31 December 2017 revealed in audit are appeared in Management Audit Report mentioned in paragraph 1.3 above in detail. The material and significant audit observations out of the audit observations included in the Management Audit Report are appeared in paragraph 2.1 to 2.13 of this report. It was observed that accountability as the Chief Accounting Officer had been satisfactorily executed to ensure the adequacy of the Financial administration subject to the following summarized audit observation revealed in the execution of the provisions of the Financial regulation 127 of the Financial Regulations of the Democratic Socialist Republic Of Sri Lanka.

Accountability of Chief Accounting Officer as per the Financial Regulation 127	Non compliance with the Direction of the Chief Accounting Officer	Reference to the paragraphs of the report of which the observation included
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Financial Regulations		
127 (1) (a)	All financial work should be planned as to confirm the correctness and the financial priority	1. Action plan not being prepared properly. 2.1 2. Procurements not being planned adequately. 2.4.1 3. Budget estimates not being prepared realistically. 2.9 (a) 4. Deficiencies in preparing imprest estimates. 2.10 (b)
127 (1) (b)	Providing a methodology for allowing sufficient control for collecting state revenue and expenditure	1. Management Deficiencies. 2.7 2. Deficiencies of human resources management 2.12
127 (2)	Existing items of expenditure as well as proposals for new or	1. Expected production level not being 2.2 (a)

	increased expenditure in the departments under his control should be closely examined in the Ministry from the points of view of economy and efficiency.	2.	achieved. Deficiencies in implementing procurement process.	2.4.1
127 (3)	Preparing a methodology that all cases of doubt or difficulty are referred to him as to bring his own administrative experience and judgment	1. 2. 3.	Deficiencies in utilization of vehicles. Deficiencies in utilization of vehicles under operating lease. Deficiencies in maintaining offices.	2.5.1 2.5.2 2.5.3
127 (4)	Appropriation accounts are duly rendered by each of his accounting officers and examined at the Ministry before he signs them and important differences in the estimates and actual expenditure are critically investigated by him	1. 2.	Annual performance reports not being submitted Weaknesses in maintaining bank accounts	2.3 2.11
127 (5)	Important variations between departmental estimates and expenditure receive critical examination at the Ministry	2 3	Non- utilization of provisions made Deficiencies in utilization of funds made under supplementary estimates	2.9.(b) (i) 2.9.(b) (ii)
	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 responsible for such losses, in terms of F.R156 (1). It's also a duty of the Chief Accounting Officer to appear before the Committee on Public Accounts and to assist it along with his	1. 2.	Losses and damages Security deposits not being obtained from the officers who is attached to the financial duties.	2.6 2.13

Accounting Officer in explaining and justifying the accounts of the departments for which he is responsible.

2 Material and significant Audit Observations

a) Performance

Planning

According to the Public Finance Circular No. 01/2014 dated 17 February 2014, an Action Plan for the year 2017 had not been prepared properly and the following matters had not been included in it.

- a) Organization Structure updated for the year under review, details relating to approved cadre and actual cadre
- b) Action plan for the year under review prepared in accordance with the priorities based on the Annual Budget, implemented time frame and estimates of expected production results
- c) Imprest Requirement Plan for annual activities
- d) Internal Audit Plan
- e) Although 5 Key Functions should be fulfilled by the Ministry, Action Plan had not been prepared as possible as to identify those activities separately and Action plan had been prepared only for covering development activities.

2.2 Non-execution of key Functions

The following observations are made

a) Non- achieving of Expected production Level

- (i) Although Provisions of Rs. 2,290.10 Million had been obtained by the Ministry, to carry out 22 projects, only a sum of Rs. 251.13 Million had been spent during the year under review. The payable expenditure for the year was Rs. 328.89 Million thus the financial progress was 25 per cent.
- (ii) Although provision of Rs. 1,883 Million had been made for 16 projects of the Ministry, out of the said provision only a sum of Rs. 119.66 Million had been utilized. Accordingly provision of Rs. 1,763.34 Million had been saved.

- (iii) Out of the above 16 projects, even though the total provision of 6 projects had been saved, physical progress of 10.2 per cent to 60 per cent and 9 projects had recorded a physical progress of 25 per cent to 90 per cent for 75.95 per cent to 99.9 per cent financial progress.
- (iv) The Ministry had decided to terminate the projects for extension of Jaffna information Technology Park, Nanasala Centers and supply of new facilities and installation of District Information Technology Resources Centers of which a sum of Rs. 39.1 Million had been allocated from the Annual Estimate.
- (v) Reasons had not been presented for the lower condition of progress of projects and it was observed that the reasons such as receiving provisions without a proper plan, actions not being taken according to the procurement time table, taking long time for procurements, commencing procurement activities in the middle of the year, orders being placed at the end of the year had been affected to this under performance.
- (vi) Computer laboratories had been established for 860 schools under the School Computer Laboratories Project from the year 2012 to 31 December 2017 and it had extended in a range of 6 to 222 of school computer labs per each district. However information relating to the methodology followed for selecting schools for establishing laboratories had not been made available to audit.
- (vii) Although recurrent and capital expenditure had been granted exceeding Rs. 33 Million for the Jaffna Information Technology Park for previous 5 years, the number of beneficiaries was 726. The revenue earned as a percentage of expenditure was 3.8 per cent. The number of students participated had increased by 148 per cent in the year 2017 as compared with the year 2016.

b) Projects not submitted the Progress

There were 3 projects which should be carried out on provision of Rs. 58.79 Million during the year under review but the progress had not been presented. Even though expected production level had not been achieved, there were no evidence made available to confirm the level of the progress.

2.3 Annual Performance Report

Although the Annual performance report relating to the year under review should be tabled in the Parliament within 150 days after the close of the financial year as per the Public Finance Circular No. 402 dated 12 September 2002, the said report had not been tabled in the parliament even up to 06 August 2018.

2.4 Receiving Supplies and Services through the Procurement Process

Provision of Rs. 2,384,161,450 Million had been made by the Ministry for obtaining supplies and services and consultancy fees through the Government Procurement Guidelines and out of that a sum of Rs. 342,118,469 Million had only been utilized. Accordingly a sum of Rs.2, 042,042,981 represents 85.65 per cent of the provision made had been saved.

2.4.1 Execution of Procurement Process

The following observations are made in connection with the execution of procurement process.

a) **Purchasing printing machines for E- Grama Niladharee Project**

According to the procurement plan for the year 2017 it had been planned to purchase 133 printing machines. However actions had been taken to purchase 164 printing machines.

b) **Purchasing Computers and Computer Accessories for School Computer Laboratory Project**

- (i) Although procurement had been made in 2 instances under stage 1 and 2 for establishing 101 school computer laboratories, reasons affected not to carry out the entire procurement in one stage had not been revealed. Purchasing of computer and accessories of the second stage had been done in the end of the year thus the payment thereon had been made in the year 2018.
- (ii) Although purchasing of 2 stages had been made in the same institute, prices of the computer and accessories purchased in the second stage had been increased more than the first stage. The opportunity for saving a sum of Rs. 3,577,164 had been missed due to non- installing of school laboratories in the first stage.
- (iii) It could not got confirmed that the goods had been supplied on due date in accordance with the agreement because the date of receiving goods had not been mentioned when receiving goods.
- (iv) According to the Section 8.5.1(b) of the Government Procurement Guideline, integrated meeting of the Ministry Procurement Committee and the Technical Evaluation Committee should be organized by the Secretary to the line Ministry after inquiring the Chairman of the Procurement Committee and Technical Evaluation Committee when replying the letters received against to the procurement. However without doing so, relevant letters had been referred to the Technical Evaluation Committee and letters had been sent to the above mentioned institutes informing such replies by the Secretary to the Ministry.

c) Purchasing of 1,250 Computers and 250 Multimedia Projectors

Paper advertisements had been published on 25 August 2017 for purchasing computers and multimedia projectors for District Secretariats and Divisional Secretariats and quotations had been received from 7 institutions. The lowest bid of Rs. 217,218,750 with qualifications had been selected for this procurement.

The following observations are made in this regard.

- (i) The process of procurement had not been carried out according to the procurement timetable and a period over 4 months had been taken for the procurement.
 - (ii) A sum of Rs. 28,914,700 had only been paid in the year under review because the purchasing had been done in the end of the year that was in December 2017.
 - (iii) It had decided to distribute 50 computers, 50 UPS and 10 multimedia projectors per district without identifying the requirement of computers and multimedia projectors of each district. However distributions had not been done accordingly.
 - (iv) It had been reported that Goods Received Notes had been sent only from Gampaha, Kandy and Kaluthara in the year 2018.
- d) Giving Computer Hardware Training to Employees of District and Divisional Secretariats for improving skill of Information and Communication Technology
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Approval had been obtained from the Department of National Planning Implementation on 19 May 2017 for training 750 officers of District and Divisional Secretariats incurring Rs. 22.5 Million as Rs. 30,000 per each. Training institutions had been selected by each District Secretariats in the own area and the estimated provision had been made by the Ministry.

The following observations are made in this regard.

- (i) Although a sum of Rs 30,000 had been allocated for an officer, training had been given in a lower value than the allocated amount. Accordingly the range of expenses of an officer was Rs. 1,537 to Rs.15, 000 in 15 districts. Accordingly only a sum of Rs. 2,810,578 had been spent for 382 officers.
- (ii) Provisions had been made only for 15 districts during the year under review for hardware training. Even though it had decided to train 750 officers during the year; only 382 officers had been trained.

e) Receiving a Motor Vehicle and a Van under the Operating lease

The following observations are made in this regard.

- (i) According to the Section 2.3 of the National Budget Circular No. 01/2016 dated 17 March 2016, competitive bidding process should be followed for obtaining vehicles under the operating lease for government institutions. However the method followed for calling bids could not be revealed.
- (ii) According to the Section 2.3.II of the said Circular, the lessor should have the qualification such as chartered representative of world famous vehicle brands in Sri Lanka with a pool of 10 vehicles at least, financial institutes registered under the Central Bank of Sri Lanka and business conducting renting out motor vehicles. Nevertheless those qualifications had not been examined in the procurement which had been carried out for obtaining a motor vehicle.
- (iii) Although the approval had been given by the Department of National Budget on 03 November 2016 for obtaining a motor car, a Jeep modal vehicle had been obtained in a monthly installment of Rs. 189,500 and Rs.24 per extra Kilometer. However the lowest price submitted for this was Rs. 118,500 and the maximum price was Rs. 180,826.
- (iv) According to the 7.8 (b) of the Procurement Guideline, reasons should be clearly mentioned for the deviations. Nevertheless reasons had not been mentioned clearly for rejecting bids relating to obtain the motor vehicle.
- (v) According to the 7.8 .2 of the Government Procurement Guideline, deviations should be identified and categorized as minor and major deviations. However deviations had not been mentioned clearly in obtaining a van.
- (vi) According to the 8 .2.1 of the Government Procurement Guideline, the Secretary to the line Ministry should inform all the bidders in writing within one week being informed the recommendation of the Ministry Procurement Committee of the selection of the successful bidder. However actions had not been taken accordingly.

2.5 Assets Management

2.5.1 Utilization of Vehicles

The following observations are made.

- (i) There were 26 vehicles belonged to the Ministry as at the end of the year under review and a total sum of Rs. 23,747,820 had been incurred as a sum of Rs. 8,687,249 for fuel and lubricant, a sum of Rs. 2,801,365 for servicing vehicles, a sum of Rs.9,209,685 for repairing vehicle and a sum of Rs. 3,049,521 for the insurance of vehicles. Nevertheless the sum incurred per Kilometer could not be calculated because the number of Kilometers running for 11 vehicles had not been submitted.

- (ii) According to the Paragraph 3.3 of the Public Administration Circular No. 30/2016 dated 29 December 2016, entries for official transport service carried out during the month had not been maintained per each month.

2.5.2 Utilization of Vehicles under the operating lease

Two vehicles had been obtained by the Ministry under the operating lease and a sum of Rs. 4,634,595 and Rs. 774,420 had been incurred as lease installments and fuel and lubricant respectively. Accordingly a sum of Rs. 5,409,015 had been incurred for 52,383 Kilometers for vehicles obtained under the operating lease.

2.5.3 Expenses for Conducting Offices

- a) There were no buildings belonged to the Ministry and a total sum of Rs. 56,545,020 had been paid during the year under review as rent of Rs. 18,006,660 for the old building and Rs. 38,538,360 for the new building. The annual cleaning service charges were Rs.1,745,888 and security service charges were Rs. 3,515,078 thus the total of expenses for the building was Rs. 61,805,986. Accordingly cost for conducting office per head was Rs. 686,733 and the monthly rental per head was Rs. 628,278.
- b) A paper advertisement had been published on 06 February 2017 for obtaining a building in 25,000 square feet on rent basis to establish the Ministry of Telecommunication and Digital Infrastructure. Two bids had been received and one bid had been rejected due to absence of bid bond. However a building 30,586 square feet in extent had been obtained at Rs.5,505,480 as Rs.180 per one square feet.

The following observations are made in this regard.

- (i) According to the Cabinet Approval අමස/17/0085/749/001 dated 25 January 2017, even though the approval had been given to extent the period of rent of the old building situated at No.79/1, 5th lane, Colombo 3, up to 25 December 2017, the new building had been obtained since 31 May 2017.
- (ii) After renting the new building ,a total sum of Rs. 8,962,819 had been paid unproductively consisted with Rs.7,942,659 Rs.57,048 and Rs.963,112 as rent for the old building for the period from June 2017 to 17 October 2017 as water and electricity for the said period respectively.
- (iii) Although the monthly rental estimated by the Department of Valuation was Rs. 4,500,000 for the new building , it had been obtained for 3 years at monthly rental of Rs. 5,505,480.
- (iv) According to the 8 .5.1 of the Government Procurement Guideline, the Secretary to the line Ministry should informed all the bidders in writing within one week being informed the recommendation of the Ministry Procurement Committee. However actions had not been taken accordingly.

- (v) According to the rent agreement dated 31 May 2017, it had agreed to pay a total of 3 months' rent as a security deposit and payment of rent for 3 months to be made once in three months in the first month relating to the period in marking payment for 3 years. It was observed that making payment of 3 months' rent of Rs. 16,516,440 at a time was adversely effected to the government.
- (vi) Even though the office and the bathroom of the old building used by the Minister had been renovated incurring a sum of Rs.1,599,897 it had only been used for a period almost two years after the renovation.

2.6 Losses and Damages

Information relating to the loss recovered during the year 465,359 and the value of 3 damages amounting to Rs. 330,072 which had not recovered as at 31 December 2017 had not been shown in the Appropriation Account.

2.7 Management Inefficiencies

The following deficiencies were observed in sample audit tests

- a) A sum of Rs.12, 425,045 had been spent for the Information Technology Resources Center of Kegalla District constructed in Galigamuwa under the provision of the Ministry of Telecommunication and Information Technology. Although the Ministry had planned to complete and use this Center before the end of the year 2016, the center had not been used for the intended purpose even as at the date of audit due to absence of specific plan for the activities expected to be fulfilled by the Center. An Administration Committee should be appointed including the District Secretary for administration of the Center and a separate account should be opened and proper methodology should be followed for the administration of the account. However such methodology had not been commenced.
- b) As per the bill paid relating to rest of the work completed in the ground floor of the Information Technology Resources Center Galigamuwa, a sum of Rs.229,189 had been over paid to the contractor for the drain around the building in the length of 62.62 meters. Further it was observed that , furniture and equipment supplied for training activities of the Center and computers and other electrical equipment had remained idle over 2 years and 1 year respectively and the warranty period of electrical equipment was expired without being used those equipment.
- c) The project named Missaka E – Nanapiyasa had been commenced in the years 2012 – 2014 under the Ministry of Telecommunication and Digital Infrastructure based on the objectives that, To increase the literacy of information technology of school students up to 75 per cent up to the year 2016, To create convenient surroundings to reach to

information technology and To confirm the future job security. However it was observed in sample audit tests carried out in 15 schools in Kagalla District that the objective of implementation of the said project could not be achieved due to absence of computer consultant, internet facilities, and programme for updating computer accessories.

- d) It was observed in the sample audit test carried out in 16 schools out of 30 schools of Badulla District under the second stage of School Computer Laboratory Project of the year 2016 that Principals of those schools had not aware of the said project properly.
- The warranty period of computer and accessories and the way to implement during that period
 - Updating virus software
 - Internet facility should be obtained by the school
 - Participation of teachers to training programmes
 - Get activated machines after inactivated
 - Using computer and accessories for other purpose

2.8 Preparedness for Implementing Sustainable Development Goals

The following observations are made according to the replies supplied to the questionnaire issued in connection with the above subject.

- a) Internal Guidance not being carried out for implementing Sustainable Development Goals.
- b) Although a programme had been prepared in order to obtain information relating to the livelihood of senior citizens and rural community through communication technology tools for reducing poverty, implementation of pilot project had failed.
- c) Although interested parties towards the institute for implementing Sustainable Development Goals had been identified, awareness programmes to aware them had not been implemented.
- d) Necessary indicators and turning points had not been identified for monitoring relevant activities in achieving sustainable development goals.
- e) There were no methodology for managing physical resources prevailed currently in the institute in order to achieving Sustainable Development Goals.
- f) Criteria for monitoring relevant activities for achieving Sustainable Development Goals had not been identified.

2.9 Utilization of Provisions made by the Parliament to accomplish activities

Information relating to provisions made to the Ministry for the period of 5 years ended 31 December 2017 and Utilization and Savings and audit observations in this regard are given below.

Year	Expenditure Category	Net Provision	Utilization	Savings	Savings as a percentage of the net provision
		Rs. Million	Rs. Million	Rs. Million	Rs. Million
2013	Recurrent	113.80	102.16	11.64	10.22
	Capital	886.98	861.09	25.89	2.92
	Total	1,000.78	963.25	37.53	3.75
2014	Recurrent	208.78	183.94	24.85	11.90
	Capital	1,509.22	950.81	558.41	37.00
	Total	1,718.00	1,134.75	583.26	33.95
2015	Recurrent	101.74	94.14	7.60	7.47
	Capital	1,338.81	764.47	574.34	42.90
	Total	1,440.55	858.61	581.94	40.39
2016	Recurrent	133.31	130.63	2.68	2.01
	Capital	1,443.86	865.09	578.78	40.09
	Total	1,577.17	995.72	581.46	36.87
2017	Recurrent	219.11	214.43	4.66	2.13
	Capital	17,413.10	1,555.00	15,858.10	91.06
	Total	17,632.21	1,769.43	15,862.76	89.96

The following observations are made in this regard.

a) Preparing Budget Estimates

The following deficiencies had taken place due to the fact that realistic estimate had not been prepared for making provisions to accomplish the activities relating to the Ministry.

(i) Provision had been obtained to accomplish 22 projects without having a proper plan. Hence the total provision could not be utilized and a sum of Rs. 2,038.97 Million represents 89 per cent had been saved out of the provision made.

(ii) Making provision through supplementary estimates

A sum of Rs. 15,092,781,250 for 4 capital expenditure items and Rs.85,748,590 for 07 recurrent expenditure items had got allocated during the year through supplementary estimates. Accordingly 735 per cent of the estimated provision of those expenditure items had been obtained for computer provision. However out of the provision obtained for Information Technology Institute, a sum of Rs. 13,805,301,170 represents 92.04 had been saved.

(iii) Transfers of Financial Regulation 66

Although estimates should be prepared as suitable as to the objectives and functions of the Ministry after identifying them, provision of Rs. 5,504.071 relating to 15 expenditure items had been transferred and added to 17 expenditure items.

(iv) Explaining variations between the provision and actual expenditure

Actions should be taken to make provisions preparing Annual Capital estimates after identifying requirements and with a proper plan. However reason for the saving of Rs. 2.40 Million relating to 05 expenditure items had been mentioned as requirements not being occurred.

b) Appropriation Account

The following observations are made in this regard

Non-Utilization of provisions made

- (i) The net provision of Rs. 21.31 made for 4 expenditure items had been completely saved without utilizing for any purpose.
- (ii) Provisions are made for the activities of the Information and Communication Technology Agency as well under the expenditure head of the Ministry of Telecommunication and Digital Infrastructure. Accordingly the total net provision made for the Ministry Head in the year 2017 was Rs. 17,632,199,840 and a sum of Rs. 17,299,710,000 had been allocated for the development of information technology under the Capital Development Programme. Further a sum of Rs. 2,299,710,000 through the Annual Estimate and a sum of Rs.15,000,000,000 through the supplementary Estimates as per a Budget Proposal in the year 2017 had been allocated to the Information and Communication Technology Agency on 31 January 2017. Nevertheless, out of the capital expenditure, a sum of Rs. 15,858,100,572 represents 91 per cent had been saved without being utilized.

2.10 Imprest Accounts

The total of the balances of the imprest account under the Ministry as at 31 December 2017 was Rs. 6,279. The following observations are made in connection with the imprest account maintained by the Ministry.

- a) According to the estimate of imprests prepared by the Ministry for the year under review details relating to the imprests expected to be obtained monthly, imprests requested monthly and imprests received are given below.

Month	Imprest to be requested as planned	Imprest requested	Imprest received	Difference between the planned and requested	Difference between the received and requested
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
January	510,349	10.55	17.88	510,338.45	(7.33)
February	10,824	1,114.71	182.31	9,709.29	932.4
March	10,749	18.92	68.65	10,730.08	(49.73)
April	529,269	44.27	44.35	529,224.73	(0.08)
May	9,849	132.85	300.41	9,716.15	(167.56)
June	10,249	220.14	105.34	10,028.86	114.80
July	10,574	359.70	154.79	10,214.30	204.91
August	10,299	180.20	162.40	10,118.80	17.80
September	210,018	283.22	138.89	209,734.78	144.33
October	10,799	410.60	59.24	10,388.40	351.36
November	608,709	131.10	147.98	608,577.90	(16.88)
December	508,347	2,227.92	260.06	506,119.08	1,967.86
Total	<u>2,440,035</u>	<u>5,134.18</u>	<u>1,642.30</u>	<u>2,434,900.82</u>	<u>3,491.88</u>

- b) The following observations are made in this regard.
- (i) The planned imprest had not been obtained in any month due to the procurement had not been carry out according to the procurement time table.
- (ii) As a result of carrying out few activities at the end of the year without being carried out in due time as planned , a sum of Rs. 2,227.92 represents 43 per cent of the imprest requested for the year 2017 had been requested in the month of December 2017. However a sum of Rs. 260.06 Million had only been received.

2.11 Maintaining Bank Accounts

A current account maintained by the Ministry was not in operation for 3 years as at 31 December 2017 and there was a non- operating balance of Rs.200,500 in that account.

2.12 Human Resources Management

2.12.1 Approved cadre ,Actual Cadre and Personal remuneration

Details relating to the approved cadre, actual cadre and vacancies as at 31 December 2017 to fulfill the functions mentioned in the paragraph 2.1 above are given below. A sum of Rs. 33.19 Million had been spent for the expenditure code of personal remuneration of the staff of the Ministry for the year under review and accordingly expenditure per head was Rs. 572,239.

Category of Staff	Approved Cadre	Actual Cadre	Number of vacancies
(i) Senior Level	14	12	02
(ii) Tertiary Level	04	02	02
(iii) Secondary Level	35	27	08
(iv) Primary Level	25	17	08
	<u>78</u>	<u>58</u>	<u>20</u>

The following observations are made in this regard.

- a) Twenty vacancies had not been filled as at the end of the year under review.
- b) Even though there were vacancies remained continuously, those vacancies of the staff had not affected to the savings of provisions without being used.

2.13 Security of Public Officers

As per the Financial Regulations 880 (I) ,officers who are administratively responsible for or who under delegation are entrusted with the receipt or custody of public money ,revenue stamps or stores , or the disbursement of public money or the issue of stamps or stores and those who certify vouchers or sign cheques on Government Account should be required to give security in accordance with the Public Officers (Security) Ordinance (Cap.612) for the faithful discharge of their duties. However actions had not been taken accordingly.