

## **Head 214 - Report of the Auditor General on the University Grants Commission – 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 University Grants Commission. 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 for the Financial Management and Accountability**

---

The Minister of 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 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 University Grants Commission – Head 214 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 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 Observation

-----

The material and significant audit observations of the University Grants Commission for the year ended 31 December 2017 revealed in audit, appear in this Report. It was observed that the accountability as the Chief Accounting Officer had been satisfactorily executed, subjected to the following summarized audit observations revealed in the execution of the provisions of the Financial Regulation 128 of the Financial Regulations of the Democratic Socialist Republic of Sri Lanka.

## 2. Material and Significant Audit Observations

-----

### 2.1 Utilization of Provisions made available by Parliament for the Performance of Functions

-----

Information on provisions made for the University Grants Commission during the period of 05 years ended 31 December 2017, utilization and savings thereof are given below.

Year	Type of Expenditure	Net Provision	Utilization	Savings	Savings as a Percentage of the Net Provision
		----- Rs.Millions	----- Rs.Millions	----- Rs.Millions	-----
2013	Recurrent	18,316.5	16,932.45	1,384.05	7.55
	Capital	8,524.15	5,820.09	2,704.06	31.72
	<b>Total</b>	<b>26,840.65</b>	<b>22,752.54</b>	<b>4,088.11</b>	<b>15.23</b>
2014	Recurrent	20,841.39	20,637.74	203.65	0.97
	Capital	10,945.00	10,000.49	944.51	8.62
	<b>Total</b>	<b>31,786.39</b>	<b>30,638.23</b>	<b>1,148.16</b>	<b>3.74</b>
2015	Recurrent	25,898	25,760.73	137.27	0.53
	Capital	8,860	8,734.68	125.32	1.41
	<b>Total</b>	<b>34,758</b>	<b>34,495.41</b>	<b>262.59</b>	<b>0.75</b>
2016	Recurrent	29,029	27,998.03	1,030.97	0.75
	Capital	19,797	15,162.39	4,634.61	0.03
	<b>Total</b>	<b>48,826</b>	<b>43,160.42</b>	<b>5,665.58</b>	<b>0.23</b>
2017	Recurrent	30,597.05	29,873.70	723.35	2.36
	Capital	11,540.06	10,477.91	1,062.15	9.20
	<b>Total</b>	<b>42,137.11</b>	<b>40,351.61</b>	<b>1,785.50</b>	<b>4.24</b>

## 2.2 Human Resources Management

### Approved Cadre, Actual Cadre and Expenditure on Personal Emoluments

The position on the approved cadre, actual cadre and vacancies as at 31 December 2017, is given below. The Commission had spent a sum of Rs.220.32 million for the category of personal emoluments for the year under review.

	<b>Category of Employees</b>	<b>Approved Cadre</b>	<b>Actual Cadre</b>	<b>Vacancies</b>
(i)	Senior Level	61	42	19
(ii)	Tertiary Level	26	26	-
(iii)	Secondary Level	160	135	25
(iv)	Primary Level	59	54	5
		-----	-----	-----
	<b>Total</b>	306	257	49
		====	====	====