

## **Report of the Auditor General on Head 117–Ministry of Higher Education and Highways- Year 2017**

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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 Higher Education and Highways. 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, Revenue Accounting Officer and the Accounting Officer for the Financial Management and Accountability**

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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 Audit Scope**

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The audit of Ministry of Higher Education and Highways–Head 117 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 relevant to the Highways Sector and the Higher Education Sector will be issued in due course. 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

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The audit observations of the Highways Sector of the Ministry of Higher Education and Highways for the year ended 31 December 2017 revealed in audit appear in Paragraphs from 2.1 to 2.17 of the Part 1 of this report and the observations revealed in audit relating to the Higher Education Sector appear in Paragraphs from 3.1 to 3.10 of the Part 2 of this report. It was observed that the accountability as the Chief Accounting Officer had been satisfactorily executed, to ensure the adequacy of the financial administration subjected to the following summarized audit observations revealed in the execution of the provisions specified in the Financial Regulation 127 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 of the Chief Accounting Officer to the Provision	Reference to the Paragraph of the report Containing Observations
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Financial Regulations		
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127 (1) (a)	Planning the financial work so that the business is transacted with correctness and financial propriety.	1. Deficiencies in the Action Plan 2.1.1 and 3.1.2 2. Release of funds contrary to the plan 2.1.2 (e) 3. Deficiencies in the Internal Audit 2.17
127 (1) (b)	A system should be evolved providing adequate controls over expenditure and the collection of revenues.	1. Non-compliance with laws, rules and regulations. 2.14.1 2. Deficiencies in the recovery of taxes relating to contracts. 2.14.2 3. Deficiencies in the Human Resource Management 2.18 4. Irregular Transactions 3.5 5. Management Weaknesses 3.10
127 (2)	Existing items of expenditure , as well as proposals for new or increased expenditure in the Department under his control, are closely examined in the Ministry from the point of view of economy and efficiency.	1. Failure to discharge functions 2.1.2 (a) 2. Failure to achieve the expected level of output. 2.1.2 (b) and 3.1.3

3. Abandonment of projects without completing. 2.1.2 (c)
4. Settlement of bills for the works carried out in the preceding years. 2.1.2 (d)
5. Non-reconciliation of costs of projects. 2.2.1 (a)
6. Deficiencies in the performance of projects. 2.2.1 (b)
7. Abandonment of some works of the projects. 2.2.1 (c)
8. Contentious nature of some expenditure incurred by the project 2.2.1 (d)
9. Failure to obtain corporate bonds. 2.2.1 (f)
10. Carrying out constructions relating to the completed contracts based on the variation orders. 2.2.1 (g)
11. Payment of additional interests due to delays occurred in the acquisition of lands. 2.2.1 (h)
12. Entering into agreements so as to be favourable to the contractor. 2.2.1 (i)
13. Deficiencies occurred in the previous stage of the contract. 2.2.1 (j)
14. Weaknesses in project planning. 2.2.1 (k)
15. Non-realistic nature of the rates included in the B.O.Qq. 2.2.1 (l)
16. Non-compliance with the Government Procurement Guidelines. 2.2.1 (m)
17. Uneconomic transactions. 2.2.1 (n), 2.8
18. Deficiencies of the projects financed by and 3.6 2.2.2

		local funds.	
		19. Deficiencies in the utilization of provisions made by other Ministries and Departments.	2.10 (c)
		20. Shortcomings in the construction of hostels.	3.1.1
		21. Deficiencies in the performance of foreign aid projects.	3.2.1
		22. Deficiencies in the utilization of vehicles.	3.3 (a)
127 (3)	All cases of doubt or difficulty are referred to him so that he may bring his own administrative experience and judgement to bear on them.	1. Conduct of annual board of surveys. 2. Deficiencies in rendering services for the public. 3. Presentation of Annual Performance Reports.	2.4 and 3.3 (b) 2.9 2.1.3 and 3.1.4
127 (4)	Appropriation Accounts are duly rendered by each of his Accounting Officers, and examined at the Ministry before he signs them; and that important differences in the Estimates and the actual expenditure are critically investigated by him.	1. Deficiencies in General Deposit Accounts.	2.12
127 (5)	Important variations between departmental Estimates and expenditure receive critical examination at the Ministry.	1. Incurring commitments exceeding the limit of provisions.  2. Bringing forward commitments to the next year without budgetary provisions. 3. Non-utilization of provisions made. 4. Making over provisions 5. Non-utilization of provisions obtained through the supplementary budget.	2.5 (a) and 3.4  2.5 (b) 2.10 (a) and 3.8 (a) 2.10 (b) and 3.8 (b) 2.10 (c) and 3.8 (c)
127 (6)	Collection of Revenue or other Government	Deficiencies in the	2.11

	dues for which Accounting Officers are responsible is closely watched and examined by the Ministry.	recovery of outstanding loan balances.
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 departments for which he is responsible.	1. Losses and damages. 2.6 and 3.9 2. Accountability on damages. 2.7

**Part 1- Highways Sector**

**2. Material and Significant Audit Observations**

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**2.1 Performance**

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**2.1.1 Planning**

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According to the Action Plan prepared in terms of Public Finance Circular No.01/2014 dated 17 February 2014, there were 61 activities under 08 key functions to be discharged by the Highways Sector during the year under review. An Action Plan had been prepared in order to achieve expected outcome through 37 foreign aid projects, one programme financed by domestic funds and another Fund implemented under the Highways Sector. According to the said Action Plan, provisions amounting to Rs.116,017 million had been made for the capital expenditure through the annual budget estimate. Likewise, the total provisions had become Rs.205,922 million owing to obtaining supplementary provisions. Action had not been taken to amend the Action Plan in keeping with the changes occurred in the functions due to obtaining supplementary provisions.

## 2.1.2 Failure to Discharge Functions

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The following observations are made.

### (a) Failure to Discharge Functions Included in the Action Plan

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The following observations are made.

- (i) Due to various reasons such as delays in the selection of a contractor, failure to publish compensation scheme in the Gazette, delays occurred in issuing valuation reports for the acquired lands, failure on the part of the General Treasury to release imprests and not furnishing necessary documents relating to the substantiation of expenditure to the General Treasury by the Road Development Authority, 08 projects out of 37 foreign aid projects to be implemented by the Highways Sector according to the annual Action Plan could not be implemented. Supplementary provisions of Rs.732.93 million had been made for such unimplemented activities.
- (ii) Provisions had not been made by the annual budget estimate during the year under review in respect of the Kandy Tunnel Construction Project which had not been included in the Annual Action Plan of the year under review. Nevertheless, any amount out of the supplementary provisions made during the year under review had not been used and accordingly, total provisions had been saved. Albeit, commitments amounting to Rs.525 million had been incurred under the Eastern Provincial Pro-poor Infrastructure Development Programme by the end of the year under review. In order to settle the above commitments during the year 2018, provisions had been made from the annual budget estimate, 2018. As a result, provisions had to be obtained from the supplementary budget estimate for the settlement of those commitments during the year 2018.

### (b) Failure to achieve the expected level of output

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Even though provisions of Rs.191,761 million had been utilized for 39 projects in respect of carrying out 61 activities stated in the Annual Action Plan, expected output level of 24 of the above activities had not been reached.

### (c) Abandonment of projects without completing

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Extension of Baseline Road (Phase III) project had been commenced in the year 2009 up on an estimated expenditure of Rs.719 million and a sum of Rs.541.76 million had been spent on that project. Since the land acquisition activities had not been completed, relevant project had been abandoned.

- (d) Settlement of bills for the works carried out in the preceding years

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The General Treasury had not released adequate amount of imprests for the contract works done in the years 2015 and 2016 and therefore, a sum of Rs.1,629.99 million of the provisions made for the year under review had been spent for the settlement of bills applicable to the prior years.

### 2.1.3 Annual Performance Report

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In terms of State Finance Circular No.402 dated 12 September 2002, the Highways Sector should table the Performance Report pertaining to the year under review in Parliament within 150 days from the close of the financial year, whereas it had been tabled in parliament on 26 July 2018, after a delay of 56 days.

## 2.2 Domestic and Foreign Aid Projects Implemented

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The Highways Sector had procured provisions of Rs.199,812 million for a project executed using domestic funds, 1,358 Maganeguma rural development projects, 25 road widening and development projects and 37 foreign aid projects. Out of the above provisions, a sum of Rs.185,652 million only had been utilized during the year under review. Accordingly, provisions of Rs.14,160 million or 7.08 per cent of the provisions made had been saved.

### 2.2.1 Foreign Aid Projects

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The following observations are made.

- (a) Non-reconciliation of project costs

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When comparing expenditure relating to foreign aid included in the Appropriation Account of 07 foreign aid projects funded by the Highways Sector with the foreign aid utilization included in the financial statements of those projects, expenditure of 04 projects and 03 projects had been overstated and understated by Rs.3,357 million and Rs.594.9 million respectively than the expenditure stated in the Appropriation Account.

- (b) Performance of the projects

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The following observations are made.

- (i) Irrespective of the contractor's inefficiency and low progress level of the roads development activities of the roads from Kasbewa to Pokunuwita and

Kirulapona to Godagame implemented under the Southern Provincial Road Improvement Project, provisional advances of Rs.49 million had been granted.

- (ii) Owing to low progress level and the planning weaknesses of the constructions of the National Highways Sector Project, it had not been possible to utilize Rs.923 million equivalent to US\$ 6.13 million.
  - (iii) As action had not been taken in accordance with the loan releasing plan owing to poor physical and financial progress shown in the project activities under the Combined Road Development Programme, the project had paid US\$.305,203 million equivalent to Rs.46 million as penalty for delays.
- (c) Abandonment of some works of the projects.

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Although works at Rs.1,322 million had been estimated by the engineering estimate in respect of the roads from Moratuwa to Piliyandala and Rathmalana to Mirihana developed under the Southern Provincial Road Improvement Project, a sum of Rs.654 million had been written off for the works to be done. Nevertheless, the Highways Sector had not taken steps to recover the mobilization advance of Rs.104 million which had been overpaid based on the original estimate.

- (d) Contentious nature of some expenditure incurred by the project

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Due to the failure on the part of the Technical Evaluation Committee to duly accomplish its responsibility in preparation and evaluation of bid documents, the following deficiencies were observed.

- (i) Under the general conditions of the agreements relating to the Combined Road Development Programme and Southern Expressway Extension Project, the cost of the performance bonds should have been borne by the contractor himself. Nevertheless, project had paid cost of the bonds amounting to Rs.630 million during the year under review.
  - (ii) Since the rate of the performance bond cost had been included as a lump sum, it had been agreed to pay the total amount indicated therein regardless of the actual cost. Therefore, the Combined Road Development Programme had overpaid a sum of Rs.340 million to the contractor.
- (e) Release of funds in contrast with the plan

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Since action had not been taken in accordance with the loan releasing plan as a result of poor physical and financial progress shown in the project activities, liquidated damages of Rs.46 million had been paid to the institution that granted the loan.



- (f) Failure to obtain corporate bonds

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Under the Combined Road Development Programme, goods valued at Rs.323 million had been imported on tax exemption basis under re-export basis. Nevertheless, the approval of the relevant Work Engineer or the necessary corporate bonds had not been obtained thereon. Further, it had not been established to Audit that the parties that should be held responsible were conducting supervision to ensure whether the aforesaid goods would be reexported on completion of the project.

- (g) Carrying out constructions of the completed contracts based on the variation orders.

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Constructions from Pinnaduwa to Godagam on the Southern Expressway had been completed in March, 2014. Nevertheless, due to 198 variation orders issued contrary to the Condition 13.1 of the contract agreement, constructions had been carried out even by the end of the year 2017. The payments made upon the variation orders had been 106 per cent as a percentage of the works done.

- (h) Payment of additional interests due to delays occurred in the acquisition of lands.

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Even though plans had been drawn to acquire 5411 plots of lands on Budulla-Chenkaladi road, a sum of Rs.13.3 million only had been paid for 40 plots of lands by 31 December 2017. Since lands had not been acquired in due period, a sum of Rs.3.8 million had been paid for 38 plots of lands as additional interest.

- (i) Entering into agreements so as to be favourable to the contractor.

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A sum of Rs.27 million had been paid under the lump sum rate for the laboratory equipment included in the Bill of Quantity relating to the construction of Budulla-Chenkaladi road. Agreements had been entered into in a manner vest the ownership of the equipment in the contractor on completion of the project.

- (j) Deficiencies occurred in the previous stage of the contract.

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The following observations are made.

- (i) The contract worth Rs.3,945,000 for the preparation of environmental impact report of the Elevated Road Project from new Kelani Bridge to Athurugiriya and the contract worth Rs.3,713,760 for the preparation of plans for the resettlement had been assigned to the Road Development Authority. Nevertheless, those reports had not been prepared even by 31 March 2018.
- (ii) According to the feasibility study report, the present net value of the Southern Expressway Extension Project had been stated to be minor value of US\$1,271 million, but that project had been executed as a valid project.

(k) Weaknesses in project planning

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A sum of Rs.605,000 had been spent for the preparation of survey plan of the Badulla-Chenkaladi road. Due to the wrong survey measurements depicted in the above plan, planing activities had been delayed. As a result, the contractor had demanded an extension of the period of contract at the initial stage of the project. The reasons behind the grant of that extension and the officers responsible for that purpose had not been recognized.

(l) Non-realistic nature of the rates included in the B.O.Qq.

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For the insurance items included in the B.O.Qq relating to the Badulla-Chenkaladi road, a sum of Rs.26 million had been paid to the contractor under the lump sum rate. The contractor had spent a sum of Rs.21 million as insurance expenditure. Accordingly, the project had settled Rs.5 million exceeding the amount paid by the contractor. It was observed that attention had not been drawn thereon in the preparation of B.O.Qq.

(m) Non-compliance with the Government Procurement Guidelines

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The following observations are made.

- (i) The procedure relating to the selection of a consultancy company and a contractual company relating to the Section No.03 of the Central Expressway Project had been implemented in contradictory to the objectives specified in the Guideline 1.1 of the Government Procurement Guidelines. Even though more than a period of one year had elapsed from the selection of the contractor, contract had not been awarded even by November 2018.
- (ii) Without being considered the allocations for contingencies and values of the specific allocations included in the B.O.Qq of the Badulla-Chenkaladi road project as required by Guideline 5.4.4(1) of the Government Procurement Guidelines, a sum of Rs.456 million had been overpaid as the mobilization advances. It had not been possible to recover the paid mobilization advance totalling Rs.5,928 million even by 14 September 2018 due to discontinuation of the constructions.

(n) Uneconomic Transactions

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The following observations are made.

- (i) In order to prepare feasibility study reports relating to Section 03 of the Central Expressway Project, a sum of Rs.1,335 million had been paid to the consultancy institution as at 31 December 2014. Nevertheless, since the reports of the said institution were not in an acceptable position, a sum of Rs.97 million had been paid to external institutions for the conduct of various studies in this connection. However, the final report had not been prepared even by 31 August 2018.
- (ii) For the purpose of planting trees from Pamankada to Kesbewa under the National Highways Sector Project, payment had been made at a higher range of prices between Rs.4,000 and Rs. 9,677 per plant.
- (iii) As indicated in the B.O.Qq of the Combined Road Development Programme, the fixed assets valued at Rs.466 million purchased under the lump sum rate had not been verified even by 31 December 2017. Further, it was not possible to substantiate the matters on the completeness, accuracy and evaluation of the assets shown in the statement of financial position. The particulars on the basis used in approving and certifying the interim payment certificates had not been furnished to Audit.

2.2.2 Projects Domestically Funded

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The following observations are made according to the audit test check carried out on the roads constructed relating to the Executive Engineering Offices at Kegalle, Kandy, Kundasale and Kalutara under the Maganeguma Road Development Project.

(a) Executive Engineering Offices , Kegalle, Kandy and Kundasale

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Circular No. MHE&H/HYW/MN/Cir-01/2016 dated 25 February 2016 of the Secretary to the Ministry of Higher Education and Highways.

- (i) In terms of Paragraph 1.6.6. of Annexure A-1 of the Circular, agreements had been entered into by including conditions in the bills of quantity to the effect that the shoulders in either side of the road should be made by filling gravels and properly compressing to ensure safety. Nevertheless, 5 roads completed under the Executive Engineering Office, Kegalle had not been constructed in accordance therewith.
- (ii) In terms of Paragraph 02 of Annexure A-3 of the Circular, the Core sample should have been kept safely in order to use such samples for compression ratio testing, if required. Nevertheless, Core samples had not been stored in a manner able to identify them clearly. Equipment required for obtaining and testing Core sample had not been made available to the Executive Engineering Offices.

- (iii) In terms of Paragraph 02 of the Circular, 05 institutions had been specified as the places from which quality tests reports could be reliably obtained at concessionary rates. Contrary to that, the quality tests report relating to the roads developed by the Executive Engineering Office, Kegalle had been obtained from a private institution not included in the Circular and a sum of Rs.146,383 had been obtained thereon.
- (iv) In terms of Paragraph 2.3 of Annexure A-3 of the Circular, the concrete layer of the concreted roads shall be 150 mm (6 inches) in thickness. According to the quality test report of the Core samples obtained from the road proceeding from Idampitiya to Malgammana relating to the Kadugannawa Executive Engineering Office, the thickness thereof had been stated as 150 mm. Nevertheless, the above thickness was not observed according to the actual measurements obtained at the field inspection. Accordingly, a sum of Rs.197,874 had been paid in excess for the roads constructed without prescribed thickness.
- (v) According to the Paragraph 2.2 of the Circular, concrete should have been laid on roads in 150 mm (6 inches) thickness with the concrete mixture prepared at 1:2:4 ratio. In order to substantiate the fact of being complied with that requirement, quality test report had been obtained from a private institution. Even though the accuracy of those reports had not been established, a sum of Rs.268,637 had been overpaid owing to making payments based on those reports.
- (vi) According to the Circular, a log entry book should have been maintained on the Rural Roads Development Project. Nevertheless, a log entry book had not been maintained to establish that the officers including the Technical Officers of the Kegalle Executive Engineering Office had conducted field inspections on the projects.

(b) Executive Engineering Office, Kalutara.

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 The following observations are made.

- (i) For the completion of the construction of Alubomulla-Mahagedarawatta road, a sum of Rs.405,049 had been paid on 31 December 2016. According to the inspection report relating to the road, laying concrete to the road edges had been done on 24 January 2017 and the concrete had been tested on 31 January 2017. Accordingly, payments had been made before completion of the works of the road.
- (ii) According to the Paragraph 1.5.7 of Annexure A-1 of the Circular No.MHE&H/HYW/MN/Cir-01/2016 dated 25 February 2016 of the Secretary to the Ministry of Higher Education and Highways, in developing roads by laying interlock paving blocks, the height of the edges on either side of the road should be in 300 mm (12 inches). Nevertheless, the height of the edges of 22 roads stood at a range from 100 mm to 280 mm.
- (iii) When comparing measurement reports relating to the settlement of payments for road edges and concreting ends of either side of the road relating to 14 roads with measurement reports obtained at the physical inspection, it was observed that a sum of Rs.310,404 had been overpaid for an amount of concrete totalling 27 m<sup>3</sup>.

- (iv) It was essential to state the date and the Number of the project at the beginning and end of the edges of the road developed. Nevertheless, the date and the Number of the project had not so been stated in 16 roads. Therefore, it was found difficult to established whether the roads pinte out at the physical inspection carried out together with the Technical Officers were the roads constructed by this project.

## 2.2 Obtaining Suply Services through Procurement Process

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In order to obtain local supplies and services, the Higaways Sector had made provisions of Rs.53 million in accordance with the Government Procurement Guidelines and out of which, provisions of Rs.51 million only had been utilized.

### 2.3.1 Implementation of Procurement Process

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According to the Procurement Plan of the year unde review, the number of procurements of the foreign aid projects stood at 124 and the value thereof amounted to Rs.118,232.27 million. Nevertheles, due to delays occurred in the process, contracts worth Rs.431 million only had been awarded during the year under review and the progress thereof remained less than 0.36 per cent.

## 2.4 Assets Management

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### Conduct of Annual Board of Survey

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The following observations are made.

- (a) In terms of Paragraph 3.1.6 of the State Finance Circular No.05/2016 dated 31 March 2016, the Board of Survey reports pertaining to the year under review should be furnished to the Auditor General before 17 March 2017. Nevertheless, those reports had been made available to Audit on 08 May 2018, after a delay of 7 weeks.
- (b) According to the Board of Survey report, action had not been taken in terms of the Financial Regulation 757 (2) and (2 b) regarding the differences observed between physical stock balance and the book balances.
- (c) Action in terms of Financial Regulation 760 had not been taken in connection with the stock shortages revealed by the Board of Survey reports.

## 2.5 Commitememnts and Liabilities

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The following observations are made in this connection

- (a) Incurring Commitements Exceeding the Annual Budget Limit.
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Without being complied with Paragraph 02 (a) of the State Finance Circular No.255/2017 dated 27 April 2017, commitments of Rs.77,303 million had been incurred exceeding the provisions of Rs.61,454 million made for 06 Objects by Rs.15,849 million.

- (b) Incurring commitments relating to the payments of the ensuing year without having budgetary provisions.

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The Colombo-Katunayake Expressway had been opened for the public on 27 October 2013. Commitments of Rs.48.47 million had been incurred by 31 December 2017 relating to the construction of that road. Although provisions had not been made by the Annual Budget Estimate, 2018 to settle the commitments of the project, above commitments had been incurred without having provisions contrary to the provisions in the State Accounts Circular No.255/2017 dated 27 April 2017.

## 2.6 Losses and Damages

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In terms of Financial Regulations 102 (1), (c) and 102 (2) (c), losses and damages of Rs.6.35 million had been reported from the Highways Sector, whereas those losses and damages had not been included in the Record of Losses in accordance with Financial Regulation 110.

## 2.7 Responsibility on Losses

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The following observations are made.

- (a) Action in terms of Financial Regulation 104 had not been taken in connection with the loss of Rs.168,000 reported relating to the stocks of road maintenance activities in the year 1986.
- (b) Thirteen vehicle accidents had been reported during the year under review and out of which, the estimated loss of two official vehicles that had met with accident in 2016 and 2017 amounted to Rs.4.07 million and 1.16 million respectively. Insurance claims on those losses had not been obtained even by June 2018 and action in terms of Financial Regulations 104 and 109 had not been taken in this connection. Even though a full report on the vehicles that had met with accident should have been furnished to the Auditor General within 03 months from the date of accident in terms of Financial Regulation 104 (4), except for 8 vehicles, full reports relevant to the remaining vehicles had been furnished after a delay from 02 weeks to 08 months. Nevertheless, full reports on the accident of 08 vehicles had not been furnished even by June 2018.

## 2.8 Uneconomic Transactions

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With the objective of ensuring efficient and effective performance of the rural road development programmes under the Maganeguma Project, a Geographical Information System (GIS) had been introduced at a cost of Rs.34.69 million during the year 2014. Nevertheless, in terms of Policy & Procedure for ICT usage in Government of the Information and Communication Technology Agency (ICTA), before the implementation of information and communication technology projects worth more than Rs.2 million, necessary technical consultations should have been sought from the ICTA. However, that system had been put in operation without seeking such consultancy.

## 2.9 Rendering Services to the Public

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Arrangements had not been made to develop a website for the Highway Sector of the Ministry and thereby carry out necessary awareness and receive public complaints.

## 2.11 Utilization of Provisions made by Parliament to execute Activities

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The particulars relating to the provisions made to the Highways Section and utilisation and savings for the 05 years period ended 31 December 2017 are as follows.

Year	Category of Expenditure	Net Provision Rs.Millions	Utilization Rs.Millions	Savings Rs. Millions	Savings as a percentage of net provision
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2013	Recurrent	264.32	263.29	1.03	0.38
	Capital	131,661.02	129,882.89	1,778.04	1.35
	<b>Total</b>	<b>131,925.34</b>	<b>130,146.18</b>	<b>1,779.07</b>	<b>1.34</b>
2014	Recurrent	427.52	361.39	66.13	15.46
	Capital	142,894.75	132,171.56	10,723.19	7.5
	<b>Total</b>	<b>143,322.27</b>	<b>132,532.95</b>	<b>10,789.32</b>	<b>7.52</b>
2015	Recurrent	228.82	279.66	9.16	3.17
	Capital	201,771.70	177,173.99	23,997.71	11.89
	<b>Total</b>	<b>202,000.52</b>	<b>177,453.65</b>	<b>24,006.87</b>	<b>11.88</b>
2016	Recurrent	260.52	245.04	15.48	5.94
	Capital	173,125.48	145,844.58	27,280.09	15.75
	<b>Total</b>	<b>173,386.00</b>	<b>146,089.62</b>	<b>27,295.57</b>	<b>15.74</b>
2017	Recurrent	274.73	228.71	46.02	16.75
	Capital	205,975.71	191,810.34	14,164.77	6.87
	<b>Total</b>	<b>206,250.44</b>	<b>192,039.05</b>	<b>14,210.79</b>	<b>7.00</b>

The following observations are made on the provisions made for the year under review and their utilization.

(a) Non-utilization of provisions made.

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The total provisions amounting to Rs.733.2 million made for 14 Objects had been saved without being used for any purpose.

(b) Making overprovisions

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Overprovisions totaling Rs.13,437.4 million had been made for 46 Objects and provisions totalling Rs.7,516.1million of those Objects only had been used. As such, savings had ranged from 25 per cent to 99 per cent of the total net provisions made.

(c) Non-utilization of provisions made by Supplementary Estimate Allocations

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Although it had been mentioned that provisions made by the annual budget estimate for 05 Objects were inadequate and provisions amounting to Rs.21,865 million had been made by the Supplementary Budget Estimate, it had been totally saved without being used for any purpose even by the end of the year under review.

(d) Utilization of provisions made by other Ministries, Departments and District Secretariats

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Provisions totalling Rs.2,980.7 million comprising Rs.302 million and 205 million and Rs. Rs.2,473.7 million had been made by 02 Ministries and a District Secretariat respectively for various purposes. Provisions totalling Rs.2,802 million of the above provisions only had been used by the end of the year under review. Accordingly, a sum of Rs.178.5 million or 7.2 per cent of the provisions made had been saved. The following deficiencies were observed at the audit testcheck carried out in that connection.

(i) It had been established that a loan balance of Rs.351.33 million of the loan granted to the Road Development Authority by the Highways Sector for the *YaliPibidemuPolonnaruwa* programme had further remained outstanding as at 31 December 2017. Nevertheless, that loan balance had been stated to be Rs.91.18 million in the financial statements of the Road Development Authority as at that date.

(ii) The Ministry of Prison Reforms, Rehabilitation and Resettlement and Hindu Religious Affairs had granted Rs.302 million during the year under review. Out of which, a sum of Rs.168.2 million only had been used for the relevant purpose.



## 2.11 Advances to Public Officers Account

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A loan balance of Rs.292,322 was due from 04 officers who had left on transfers. Although the above loan balance had continued to exist for more than 05 years, it had not been recovered even by the end of the year under review.

## 2.12 General Deposit Account

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The balance of 04 General Deposit Accounts maintained under the Highways Sector totalled Rs.298.22 million as at 31 December 2017. The following observations are made in this connection.

- (a) Action in terms of Financial Regulation 571 had not been taken in respect of 310 deposits totalled Rs.30.10 million (except for the deposit on lands) older than 02 years.
- (b) The ministry had debited Rs.173.6 million to the expenditure account and transferred it to the General Deposit Account without being obtained approval of the Treasury as required by provisions in Financial Regulation 2015 (3).

## 2.13 Non-maintenance of books and registers

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It was observed during the course of audit test check that the Highways Sector had not maintained certain following documents while some other registers had not been maintained in an updated manner.

	<u>Type of Register</u>	<u>Relevant Regulation</u>	<u>Observations</u>
(a)	Inventory Book	Financial Regulation 757 and 763	Not maintained
(b)	Security Register	Financial Regulation 891 (i)	-Do-
(c)	Inventory on Electrical Fittings	Financial Regulation 454 (2)	-Do-
(d)	Records of Liabilities	Financial Regulation 214	-Do-
(e)	Records of Losses	Financial Regulation 110	Not updated
(f)	Register on Computer, Accessories and Software	Treasury Circular No.AIA/2002/02 dated 28 November 2002.	-Do-

## 2.14 Non-compliances

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

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The instances of non-compliances with Laws, Rules and Regulations observed at the audit test checks are analyzed below.

**Reference to Laws, Rules and Regulations etc.**

**Non-compliance**

- (a) Establishments Code of the Democratic Socialist Republic of Sri Lanka.

Section 10.1 (b) of Chapter XV

Two Additional Secretaries of the Ministry had proceeded abroad on 03 occasions, whereas approval of the Prime Minister had not been obtained to leave out of the country.

- (b) Treasury Circulars

- (i) Section 02 (ii) of the Assets Management Circular No.02/2017 dated 21 December 2017 of the Ministry of Mass Media.

Although the Ministry under which the vehicles had been registered had been dissolved, action had not been taken to register 18 vehicles under the name of the Ministry which had been assigned the above duties and functions.

- (ii) Circular No.MF/GA2/Circular/2001/03 Dated 02 July 2001 of the Ministry of Finance

Officers of the Highways Sector had proceeded abroad for trainings and seminars on 22 occasions during the year under review and the report inclusive of particulars on the trainings received by an officer on one occasion had not been presented to the Senior Assistant Secretary (Employees Relations) of the Ministry of Finance

2.14.2 Recovery of Taxes on Contracts

In terms of Circular No.SEC/2014/05 dated 25 July 2014 of the Commissioner General of Inland Revenue issued relating to the Inland Revenue Act No.10 of 2006, the PAYEE Tax is required to be paid by the relevant client. PAYEE Tax of Rs.9.24 million relating to the foreign consultants of the foreign aid projects – Combined Road Investment Programme, Colombo Outercircular Expressway (from Kadawatha to Kelawarapitiya), Main bridge construction project of the National Road Network and Kelani Bridge Construction Second Project, had been stated as commitments to be settled by the project. Similarly, the Combined Road Investment Programme had paid Rs.16 million as PAYEE Tax during the year under review.

2.15 Internal Audit

According to the Internal Audit Plan prepared for the year 2017, twenty three audit assignments should have been implemented. Only 12 assignments had been completed even by 31 June 2018. Further, internal audit activities relating to 11

projects implemented under the Highways Sector had not been carried out during the years 2016 and 2017.

## 2.16 Human Resource Management

### Attached Cadre, Actual Cadre, and Expenditure on Personnel Emoluments

Particulars on the approved, actual, and vacant cadre for the execution of duties of the Highways Sector as at 31 December 2017 are as follows.

	Category of Employees	Approved Cadre	Actual Cadre	No. of vacancies
(i)	Senior Level	28	21	07
(ii)	Tertiary Level	03	01	02
(iii)	Secondary Level	280	245	35
(iv)	Primary Level	38	25	13
(v)	Casual/Contract	04	04	-
	Total	353	296	57

The following observations are made in this connection.

- (a) Deployment of employees of the Road Development Authority to the activities of the Highways Sector.

Thirty four employees of the Road Development Authority had been deployed for the activities of the Highways Sector during the year under review.

- (b) Irregular release of human resources to other parties.

The Highways Sector had released 157 Development Officers to the Road Development Authority since a period of 4 ½ years.

## 2.17 Securities of the Public Officers

The officers of the Highways Sector and 39 projects operated thereunder who should deposit securities in terms of Financial Regulation 880 had not so deposited relevant securities.

## Part 2- Higher Education Sector

### 3. Material and Significant Audit Observations

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#### 3.1 Performance

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##### 3.1.1 Hostel Construction Project

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With the objective of enhancing students' hostel facilities in order to increase number of residential students by 12,000, an average expenditure of Rs.220 million had been estimated in respect of one hostel within the State university system and construction of 24 hosteshad been commenced in the year 2017 under the Phase III of the project. The following observations are made in this connection.

- (a) The physical progress of the construction of 7 hostels out of the 24 hostels being constructed under the Phase III of the hostel construction project stood at 100 per cent and all the construction activities of the remaining 17 hostels should have been completed by September 2018. Nevertheless, the physical progress of the construction of those 24 hostels as at 31 December 2018 had ranged from 17 per cent to 99 per cent.
- (b) In terms of the contract agreement pertaining to the construction of hostels, there was a possibility to rectify defects on the constructions, if any, after being informed the contractor on such defects within a period of one year usage from the date of handing over of the relevant building to the University. Nevertheless, since a period of 01 to 1 ½ years had been sepnt to vest 07 hostels in the students on completion of all the works, the allocatedagreed period for the identification of defects had elapsed.
- (c) The Vice Chancellors of the Universities had been assigned the responsibility to provide infrastructure facilities such as supply of furniture and equipment, water and electricity connections and installing lightning arresters simultaneously to the completion of the constructions of the hostel buildings. Albeit, responsibility on taking follow up actions regarding the fulfillment of such activities had been entrusted to the Highways Sector. Since such activities and responsibilities had not been properly fulfilled, hostels could not be made available for the sue of the students.

##### 3.1.2 Planning

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Although the Annual Action Plan should have been prepared and presented as required by the State Finance Circular No.01/2014 dated 17 February 2014, it was revealed according to the following observations that the Action Plan had not been prepared in accordance with the above provisions.

- (a) Targets and expected outcome of 13 foreign projects implemented under the Higher Education Sector had not been stated therein.
- (b) Updated details on Organizational Structure, approved cadre and actual cadre of the Higher Education Sector for the year under review had not been included in the Action Plan.
- (c) The Activity Plan prepared in order of priority based on the annual budget pertaining to the year under review, the Time Line and the expected output/outcome of those activities had not been estimated and indicated.

### 3.1.3 Failure to Discharge Functions

- (a) Failure to discharge functions included in the Action Plan

Although 07 key functions should have been discharged by the Ministry as per the Annual Action Plan, only a few of them had been accomplished. Since provisions made under each function of the Action Plan had not been indicated, it was not possible to determine the provisions made for the unexecuted activities.

- (b) Failure to reach the expected output level

The following observations are made.

- (i) With a view to increasing employability of the graduates while upgrading standard of the courses under the targets included in the Annual Action Plan, plans had been drawn to achieve such targets under 03 objectives. The following matters were observed thereon.

- Objective of enhancing employability of the graduates and increasing academic staff of the Universities for the Doctorate Degree

Plans had been drawn to increase the graduates' employability which stood at 59 per cent in the year 2014 up to 60 per cent by the year 2017 and increase the staff qualified for the Doctorate Degree from 45.1 per cent in the year 2014 up to 51 per cent by the end of the year 2017. Nevertheless, the Higher Education Sector or the University Grants Commission had not devised a methodology for the evaluation of performance level of the targets.

- Upgrading State Universities in keeping with the world ranking of the universities.

It had been an objective to position 03 state universities at least among first 1000 universities, another 03 universities among the first 2000 universities and the rests of the universities among the first

5,000 universities in the world ranking of universities. Nevertheless, when comparing the position of ranking reached in the year 2017 with that of the year 2015, five universities out of 06 universities included in the plan had been positioned at a lower level and it had ranged from 10 per cent to 20 per cent.

- Awarding scholarships to the foreign students within the State Universities and Non-Governmental Universities

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With the objective of upgrading the State Universities in the world ranking of the universities, award of scholarships for the foreign students within the State universities and private universities had been increased. Nevertheless, when taking into consideration the period of 07 years from the year 2011 to 2017, the number of foreign students which stood at 05 in the year 2011 had increased up to 44 by the year 2013, whereas it had gradually decreased subsequently and the number of students had declined up to 07 and 13 during the year 2016 and 2017 respectively.

- (ii) Admission of additional 900 students for the Technology Stream

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While considering that the increase of the number of students enrolled for the Technology Stream by 900 in the year 2017 as a key performance indicator according to budget proposal, provisions amounting to Rs.1,500 million and 700 million had been made for 11 universities for the years 2016 and 2017 respectively. Albeit, the number of students enrolled for the Technology Stream had decreased by 260 in the year 2017 as compared with the year 2016.

- (iii) Construction of 50 official quarters

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Under the project for providing quarters to the University staff as per a budget proposal, 2016, provisions amounting to Rs.300 million had been made for the achievement of the target of constructing 51 official quarters during the years 2016 and 2017. It had been planned to construct 50 quarters for 09 Universities and one official quarter for the University Grants Commission using the above provisions. The physical progress of 22 quarters out of 51 quarters remained less than 60 per cent by the end of the year under review.

- (iv) Award of 150 Doctorate Degrees and 50 Postgraduate Degrees.

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With the objective of awarding 150 Doctorate Degrees (PHD) and 50 Postgraduate Degrees for the academic staff aiming at human capital development according to a budget proposal, 2017, a sum of Rs.34.37 million

had been spent in the year 2017. Nevertheless, only 74 Doctorate Degrees and 19 Postgraduate Degrees had been awarded.

#### 3.1.4 Annual Performance Report

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In terms of State Finance Circular No.402 dated 12 September 2002, the Higher Deucation Sector should table the Performance Report pertaining to the year under review in Parliament within 150 days from the close of the financial year, whereas it had not been tabled in parliament even by 15 August 2018.

#### 3.2 Domestic and Foreign Aid Projects Implemented

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The Higher Education Sector had made net provisions totalling Rs.5,259.6 million for 06 projects implemented investing domestic funds and net provisions of Rs.1,837.5 million for 13 foreign aid projects and out of which a sum of Rs.4,047.5 million and Rs.754.6 million had been utilized respectively by the end of the year under review. Accordingly, a sum of Rs.2,285 million or 32 per cent of the total net provision made had not been utilized.

##### 3.2.1 Foreign Aid Projects

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###### Performance of the Foreign Aid Projects

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Of the provisions made for 13 foreign aid projects implemented during the year under review, a sum of Rs.1,082.90 million or 58.9 per cnet of the provisions had been saved. Accordingly, the following deficiencies were observed on the follow up actions taken regarding the failure in utilizing provisions made for the projects effectively and efficiently.

- (a) The physical progress of the 02 projects-Training and Research Project and Higher Education and Research Cooperation Project on Legal Matters for Clean Energy Technology of the University of Jaffna, had remained less than 05 per cent by the end of the year under review.
- (b) The physical progress of the project on the construction of building complex for the Faculty of Health-Care Science of the Eastern University and the Project for the Minimization of the Cardiovascular Riskof the Youth through the Sound Health and Nutrition, had remained at a minimum level as 10 per cnet and 25 per cent.
- (c) Provisions of Rs.20.6 million, 25.0 million and 30.0 million had been made for the Wersho Asia Project during the years 2015,2016 and 2017 respectively. The physical progress of the project stood at 52 per cent by the end of the year 2016 and it had been 65 per cent by the end of the year under

review. Accordingly, progress of the project stood at a minimum level as 13 per cent during the year under review.

### 3.3 Assets Management

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The following deficiencies were observed at the audit test check carried out on the assets of the Higher Education Sector.

#### (a) Utilization of Vehicles

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The Higher Education Sector had 26 vehicles as specified below by the end of the year under review and those vehicles had been driven for 349,095.8 kilometers. Sums totalling Rs.13,982,522 comprising Rs.7,267,642 for fuel and lubricants, Rs.1,241,420 for servicing and Rs.3,050,920 for repairs had been spent on those vehicles. Accordingly, the Ministry had spent Rs.40 for driving vehicles for a distance of one kilometer except for the salary and allowances of the drivers. The following observations are made in this connection.

##### (i) Failure to carry out fuel consumption test

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The fuel consumption test relating to 24 motor vehicles of the Higher Education Sector had not been carried out during the year under review as required by Paragraph 3.1 of the Public Administration Circular No.30/2016 dated 29 December 2016.

##### (ii) Vehicle Repairs

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Even though repair of the vehicles should be efficiently carried out in conformity with the Paragraph 4 of the Public Administration Circular No.30/2016 dated 29 December 2016, a period from 01 to 1 ½ years had been delayed for the completion of repairs of 03 vehicles belonging to the Higher Education Sector.

#### (b) Conduct of Annual Board of Survey

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The following observations are made.

(i) In terms of the State Finance Circular No.05/2016 dated 31 March 2016, the Board of Survey for the year 2017 should be conducted and the report thereof should be furnished to the Auditor General before 17 March 2018. Nevertheless, having been conducted the Board of Survey on 24 motor vehicles worth Rs. 284.52 million, the report thereof had been furnished to Audit on 25 July 2018, after a delay of about 04 months.

(ii) Action in terms of the Financial Regulations had not been taken on the excess of 66 items and shortage of 360 items pointed out by the Board of Survey reports pertaining to the year, 2017.



### 3.4 Commitmemnts and Liabilities

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The liabilities unsettled by the Higher Education Sector of the Ministry as at 31 December 2017 relating to 17 Objects amounted to Rs.308.85 million. Contrary to the provisions in Financial Regulation 94 (1), commitments had been incurred by exceeding Rs.4.8 million of the savings after the utilization of provisions made for those 17 Objects.

### 3.5 Irregular Transactions

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#### Foreign Tours

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The following deficiencies were observed relating to the foreign tours to Singapore in February 2017 and Philippine and Malaysia in June 2016.

- (a) With the objective of imparting knowledge on the large scale projects and their maintenance activities to the Work Engineers who supervise the construction activities of the Universities under the Higher Education Sector at university level, they had been involved in a foreign tour. Two Development Officers of the Project Office had been involved in those tour and sum of Rs.230,000 (US\$ 1496) had been paid as their combined allowance and incidental allowance. The above expenditure had not been in conformity with the objectives of the relevant tour.
- (b) The Coordinating Secretary to the Ministry of Higher Education and Highways who held no permanent post in the Public Service had participated in the obve both tours. The Highways Sector had paid Rs.115,400 (US\$748) and Rs.30,856 (US\$ 280) as incidental and combined allowances respectively relating to the above tours.
- (c) A report on the experience of the tour and the trainings received therein should be furnished after arriving in the country on completion of the tour. Nevertheless, 34 officers who had involved in the both tours had not taken steps to furnish relevant reports.

### 3.6 Uneconomic Transactions

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For the establishment of proposed Teachers' Training Unit, the Planning Division maintained in the Higher Education Sector Building, Colombo and maintenance of Non-Governmental Higher Education Sector, 03 floors of a building situated at WickramasingheMawatha, Battaramulla had been obtained on monthly rental of Rs.570,000. An agreement for a period of 03 years had been entered into with the lessor in this connection in June 2017 and a sum of Rs.1,710,000 had been paid to the owner of the building as the rental deposits.

The following observations are made in this connection.

- (i) Although the necessary space requirement was from 4,500 sqft to 5,000 sqft, buildings pace with 6,000 sqft had been obtained on rent.
- (ii) According to the recommendation of the Technical Evaluation Committee, the building obtained on rent should be situated within the limit of Ward Place, Colombo 7, where the Higher Education Sector was maintained or the limit of Battaramulla. Nevertheless, without being paid attention on the building situated at Ward Place and considered the above recommendations, the Non-Governmental Higher Education Sector had been established in the building situated at Battaraulla and it had resulted in arising a situation to incur additional expenditure and spend additional time in carrying out office activities.
- (iii) The proposed Teachers' Training Unit had not been established within a space of 2,000 squar feet of the building obtained on rent and and newspaper advertisements had been published at a cost of Rs.1,150,000 in April 2017 to make aware the public on the above programme. Since that programme had not been impeneted as planned, the sums totalling Rs.2,280,000 spent on the publicity expenditure and house rental had become a fruitless expenditure.
- (iv) In March 2016, before this building was obtained on rent, the Department of Valuation had issued a valuation report including a rate of Rs.50 at one square foot so as to be effective for two years to the Ministry of Environment which had maintained its offices in this building on rent basis. Although there could have been a slight increase in the rate of a square foot owing to effecting some renovations to the buildings after leaving the above Ministry from that building in June 2016, fixing a higher rental of Rs.95 at a square foot within a short period of 02 months had become a matter of contentious nature.

### 3.7 Management Weaknesses

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The money deposited in the registration of Non-Governmental Higher Education Institutions with the Higher Education Sector should be utilized for the regulation activities of those higher education institutions. Nevertheless, the deposits so recovered had not been utilized for any regulation activity of those institutions. A sum of Rs.109 million had been received from

22 Non-Governmental Higher Education Institutions in 38 instances from the year 2013 up to the end of the year under review and those monies had been retained in the deposit account even by the end of the year under review.

### 3.8 Utilization of Provisions made by Parliament to execute Activities

The particulars relating to the provisions made to the Higher Education Sector and utilisation and savings for the 05 years period ended 31 December 2017 are as follows.

Year	Category of Expenditure	Net Provision Rs. Millions	Utilization Rs. Millions	Savings Rs. Millions	Savings as a percentage of the net provision
2013	Recurrent	877	839	38	4.38
	Capital	3,901	2,786	1,115	28.58
	<b>Total</b>	<b>4,778</b>	<b>3,625</b>	<b>1,153</b>	<b>24.13</b>
2014	Recurrent	1,090	1,090	-	-
	Capital	7,088	7,019	69	0.97
	<b>Total</b>	<b>8,178</b>	<b>8,109</b>	<b>69</b>	<b>0.84</b>
2015	Recurrent	1,306	1,222	84	6.43
	Capital	9,343	8,364	979	10.48
	<b>Total</b>	<b>1,0649</b>	<b>9,586</b>	<b>1,063</b>	<b>9.98</b>
2016	Recurrent	1,386	1,302	84	6.06
	Capital	7,466	5,113	2,353	31.52
	<b>Total</b>	<b>8,852</b>	<b>6,415</b>	<b>2,437</b>	<b>27.53</b>
2017	Recurrent	1,740	1,372	368	21.15
	Capital	8,099	5,697	2,401	29.66
	<b>Total</b>	<b>9,839</b>	<b>7,069</b>	<b>2,770</b>	<b>28.15</b>

The following observations are made on the provisions made for the year under review and the utilization of such provisions.

(a) Non-utilization of the provisions made.

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The total provisions of Rs.323.9 million made for 09 Objects had been entirely saved without being utilized for any purpose.

(b) Making overprovisions

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As overprovisionstotalling Rs.1,682.9 million had been made for 19 Objects, provisions totalling Rs.621 relevant to those Objects only had been used.As such, the savings had ranged from 24 per cent to 97 per cent of the total net provisions made.

(c) Provisions made by supplementary estimate allocations

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Althoughprovisions totalling Rs.1,318 million had been made for 12 Objects through the supplementary budget allocations, above provision had been entirely saved by the end of the year under review without being utilized for any purpose.

3.9 Advances to Public Officers Account

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Failure to recover the outstanding loan balances.

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In terms of the reconciliation statement furnished to Audit, the outstanding loan balance other than the loan balances of the officers transferred as at 31 December 2017 totalled Rs.350,977. Although the above outstanding loan balances had continued to exist over a period ranging from 02 to 13 years, the Higher Education Sector had failed to recover those balances.

2.10 Human Resources Management

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Approved Cadre ,Actual Cadre and Expenditure on PersonalEmoluments

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Particulars on the approved, actual, and vacant cadre for the execution of duties of the Higher Education Sector as at 31 December 2017 were as follows. The Higher Education Sector had spent a sum of Rs. 73.9 million in the year under review on personnel emoluments. Accordingly, the per capita expenditure had been Rs.648,413.

<b>Category of employees</b>	<b>Approved Cadre</b>	<b>Actual Cadre</b>	<b>Number of Vacancies</b>
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(i) Senior Level	27	19	08
(ii) Tertiary Level	06	03	03

(iii)	Secondary Level	132	69	63
(iv)	Primary Level	45	23	22
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	<b>Total</b>	<b>210</b>	<b>114</b>	<b>96</b>
		=====	=====	=====