

Ministry of Education

The Royal Audit Authority during the year 2003 had issued 5 inspection reports of agencies under the Ministry of Education. The following officials headed the ministry and the departments under it in the first half of the year 2003:

Sl. No.	Name of Office Bearers	Designation
1.	Lyonpo Sangay Ngedup	Minister
2.	Dr. Sangay Thinlay	Secretary
3.	Pem Thinley	Director General, Department of Education.
4.	Thinley Wangdi	Head, Administration & Finance Division

The following officials headed the ministry and the departments under it in the later half of the year 2003:

Sl. No.	Name of Office Bearers	Designation
1.	Lyonpo Thinley Gyamtsho	Minister
2.	Pem Thinley	Secretary
3.	Chewang Tandin	Director, Department of School Education
4.	Nim Dem	Director, Adult & Higher Education
5.	Kinley Dorji	Department of Youth & Sports
6.	Nado Rinchen	Head, Administration & Finance Division

The following table exhibits the summary of the findings in a consolidated form:

Table 1.19 showing summary of the observations by category code and the amount involved.

Sl. No.	Observation in brief	Amount (Nu. Million)	%	Category code
1.	Non realization of revenue	0.035	5.65	2
2.	Irregular award of work	0.364	58.71	7
3.	Outstanding advances	0.026	4.19	1
4.	Payment without supporting documents	0.021	3.39	18
5.	Short accountal of cash	0.012	1.94	11
6.	Excess payment	0.018	2.90	6
7.	Shortage of materials	0.144	23.23	11
	Total	0.620	100.00	

Major findings:

1. Non realization of house rent - Nu.0.035 million.

The National Institute of Education, Samtse had not realized the house rent of Nu. 0.035 million from the lecturers for the occupation of government quarters.

Auditee's response: *The management submitted that it had requested the Secretary to consider for non deduction.*

Who is accountable?: *Until such time the amount is realized and deposited to the ARA, the accountability is fixed on the Director, NIE.*

2. Irregularities in the award of contract - Nu.0.364 million.

The re-electrification work of the National Institute of Education, Samtse was awarded to M/s Druk Wangden Construction, Phuentsholing, who was the ninth lowest bidder among eleven contractors who responded the tender. As such the national exchequer had sustained the financial loss of Nu. 0.364 million on account of not awarding the work to the lowest bidder. The award was not justified with valid reasons and justifications.

Auditee's response: *The management had not specifically responded as to why it had awarded the work to the 9th lowest bidder.*

Who is accountable?: *The justifications for awarding the contract to the ninth lowest bidder should be furnished to RAA. The accountability is fixed on the Director, NIE.*

3. Outstanding advances - Nu.0.026 million.

The National Institute of Education, Samtse had the outstanding advances of Nu. 0.026 million against the employees from the LC Account.

Auditee's response: *The management had not responded on this issue as of date.*

Who is accountable?: *All over due advances amount should be recovered with commercial interest of 16% p.a. and deposited to the ARA. Till the amount is recovered and deposited into ARA, the accountability is fixed on the Director, NIE.*

4. Payment without supporting documents - Nu.0.021 million.

The Regional Education Store, Phuentsholing had paid the amount of Nu. 0.021 million towards the muster roll payment. However the muster roll did not bear either the signature or the thumb impression of the labourers.

Auditee's response: *The management has requested the Regional Education Officers concerned to furnish the details of the original supporting documents pertaining to the muster roll payment and others for onward submission to the Royal Audit Authority.*

Who is accountable?: *Till the supporting documents are furnished for verification, the stores officer is accountable.*

5. Short account of cash - Nu.0.012 million.

The Youth Centre had not accounted the amount of Nu. 0.012 million raised through hiring of conference hall, refreshment served and heating charges. The amount was neither recorded in the cashbook nor physically available.

Auditee's response: *The management submitted that the amount was recovered and accounted for.*

Who is accountable?: *Until the amount accounted for is made available for verification of the audit, Director, Department of Youth & Sports is held accountable.*

6. Excess Payment - Nu.0.018 million.

The Youth Centre had made an excess payment of Nu. 0.018 million to M/s Officers's Enterprises, Thimphu for the supply and fixing of synthetic carpet measuring 2340 sq.ft. However, on physical measurement of the carpet it was noticed that only 1416.88 sq. ft of carpet was fitted, resulting into excess payment.

Auditee's response: *The management had submitted that since the dealing official had already resigned and availed his benefits, it would be difficult to recover and that the write-off is proposed.*

Who is accountable?: *The amount with commercial interest be deposited into the Audit Recoveries Account by paying and disbursing officers.*

7. Shortage of materials valuing - Nu.0.144 million.

During the physical verification of the store of the Youth Centre, Motithang, it was found that there was a shortage of material worth Nu. 0.078 million.

Similarly, on the verification of the Regional Educational Store, Trashigang Dzongkhag it was found that text books & stationery valuing Nu.0.066 million were either received short or missing.

Auditee's response: *The Youth Centre has asked the RAA to verify since at the time of auditing listed items were issued to the lodging rooms. The Regional Store, Trashigang refuted the finding of audit.*

Who is accountable?: *Till the cost of the missing items are recovered and deposited into ARA the Director, Department of Youth & Sports /store officer is held accountable.*