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கிழக்குப் பல்கலைக் கழகம், இலங்கை  
EASTERN UNIVERSITY, SRI LANKA



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வருடாந்த அறிக்கை - 2013  
ANNUAL REPORT



**EASTERN UNIVERSITY, SRI LANKA**

**ANNUAL REPORT - 2013**

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## 1. Vision Statement:

Eastern University, Sri Lanka aims to be a national centre of excellence for higher learning and research with a competitive advantage, responsive to the dynamics of the regional and global condition.

## 2. Mission Statement:

The purposes of the Eastern University, Sri Lanka are to pursue excellence in teaching, research and scholarship, to offer through its internal and external faculties, campuses and other facilities, an unsurpassed range of opportunities for education and training to all those who will be able to benefit, to enhance public welfare, prosperity and culture by encouraging applications of learning and research; and to secure and administer resources to achieve these aims effectively.

## 3. Vice-Chancellor's Review

### A. Brief Introduction about the University

*The Eastern University, Sri Lanka*, was started as the Batticaloa University College on the 1<sup>st</sup> of August 1981 with two faculties of Science and Agriculture, affiliated to the University of Peradeniya. It was then upgraded as a fully fledged university in October 1986 with two additional faculties, Faculty of Commerce and Management and the Faculty of Arts and Culture. Faculty of Health-Care Sciences was established in 2006 with six departments, namely Departments of Human Biology, Supplementary Health Sciences, Pathophysiology, Medical Education and Research, Clinical Science and Primary Health-Care.

*Trincomalee Campus* of the Eastern University was established on the 15<sup>th</sup> June 2001 with two Faculties, Faculty of Communication & Business Studies and Applied Science and now it also has a unit of Siddha Medicine.

*Swamy Vipulananda Institute of Aesthetic Studies (SVIAS)* was affiliated to Eastern University from the 1<sup>st</sup> of March 2005. Before its affiliation to the Eastern University, it was called Swamy Vipulananda College of Music and Dance and was under the Ministry of Regional Affairs and Hindu Culture and then under the Ministry of Cultural Affairs from its establishment in 1981

## **Faculties and Programs**

- ***Faculty of Science*** having five departments and offering B.Sc. in Biological Science, B.Sc. in Physical Science, M. Sc. in Science Education, and M. Phil. and Ph.D. Research degrees.
- ***Faculty of Agriculture*** having six departments and offering B.Sc. in Agriculture and M. Sc. in Agriculture.
- ***Faculty of Arts & Culture*** having nine departments and offering B.A, B.Ed., M.A, M.Ed., M.Phil, and Ph.D. degrees in various disciplines.
- ***Faculty of Commerce & Management*** having three departments and offering B.Com., BBA, Postgraduate Diploma in Management, MBA, and Master of Development Economics (MDE).
- ***Faculty of Health-Care Sciences*** having six departments and offering MBBS and B.Sc. in Nursing.
- ***Trincomalee Campus*** having two faculties namely Faculty of **Communication & Business Studies** and **Faculty of Applied Science** and a **Siddha Medicine Unit** and offering B.Sc. in Accountancy & Financial Management, B.A in Languages & Communication Studies, Bachelor of Computer Science, Bachelor of Information Technology, Bachelor of Siddha Medicine & Surgery.
- ***CEDEC***: The faculties also offer External Degree Programmes to provide opportunity for more students to get university education. These programmes are managed by the Centre for External Degrees and Extension Courses (CEDEC).

## **B. Achievements in 2013**

1. Launched a new website for the University to uplift the position of the university in the webometric ranking.

Our new website has the following features which are essential in measuring the university ranking:

- Own web domain
  - Sub-pages
  - Rich files
  - Scholarly articles.
  - Connected to the social media such as facebook, twitter, LinkedIn and etc to increase the number of visitors
  - An option has been added to monitor the number of visits everyday
2. New e-mail system is developed with the collaboration of Google (www.mail.esn.ac.lk)  
Features of the new E-mail system are:
    - Same extension as “esn.ac.lk”, though the service is provided by the Google.
    - 30 GB storage for each It can be accessed through a Gmail webpage account
    - Ability to read emails from mobile phones
    - Sharing of documents among users
    - Ability to send/receive Free SMS to/from Mobile phones
  3. Conducted an international conference on the theme of “Knowledge and Technology for Post-Conflict Recovery”
    - 112 papers have been received and out of which 64 were accepted for oral/poster presentations.
    - Invited speakers of this conference were Professor Syed Jamil Ahmed from University of Dhaka, Bangladesh and Professor Rahul Muhargee from National University of Singapore.
  4. Commenced M.Sc. in Science Education and M.Sc in Agriculture to cater the educational and the agricultural needs of the region as well as of the country.
  5. Secured the QIG grant by the faculty of science and faculty of Commerce and Management.
  6. ELTU has been strengthened by hiring eight more instructors on assignment basis to increase the English and Communication competence for our graduates.
  7. Foreign (India, Singapore, Malaysia) exposure short-term training to twenty staff every year to change their mindset from inbreeding culture.

8. **Sports:** Our students participated at the 11<sup>th</sup> SLUG -2013 Mini Olympics organized by the University of Moratuwa and secured medals as follows:

Event	Medal	No of Medal
Karate	Gold	02
	Bronze	04
Wrestling	Gold	02
	Silver	02
	Bronze	03
Track & Field	Bronze	03

9. **Infrastructure Development:** The performance of the Infrastructure developments in the year 2013 are given below:

**a. Construction of Permanent Buildings**

S.No.	Name of the Project	Total Cost (Rs. in Mn.)	Present status
1.	Construction of Building Complex for the Department of Zoology of Faculty of Science	199	Declare opened By HE the President and the building is in usage.
2.	Construction of Building Complex for the Faculty of Arts & Culture	121	Completed. Awaiting for opening.
3.	Construction of Building complex for Library	171	Completed. Awaiting for opening.
4.	Construction of Building complex for the Faculty of Commerce & Management	230	90% Completed. Expected the final completion by end of March 2014
5.	Construction of Building complex for Professorial Unit for the Faculty of Health Care Sciences at the Teaching Hospital, Batticaloa	299	Procurement Process completed
6.	Building complex for the Faculty of Health – Care Sciences of the Eastern University, Sri Lanka	360	Procurement Process completed
7.	Construction of Auditorium cum Lecture Hall for the Faculty of Arts & Culture	44.6	Contract awarded

## b. Hostel Projects

- Construction of Permanent Hostel Projects

S.No.	Name of the Project	Total Cost (Rs. in Mn.)	Present status
1.	Hostel for 200 Boys at Vantharumoolai premises under the Tsunami Rehabilitation Project of the Ministry of Higher Education	182.0	Construction Commenced
2.	Hostel for 200 Boys at Vantharumoolai premises under the Ministry of Higher Education	220.0	Construction Commenced
3.	Hostel for 200 Girls for the Faculty of Health Care Sciences at Pillaiyaradi, Batticaloa under the Ministry of Higher Education	220.0	Construction Commenced

- Under additional intake the following semi permanent hostel buildings had been completed and occupied by the students:

S.No.	Name of the Project	Total Cost (Rs. in Mn.)	Present status
1.	Hostel for the FHCS for 80 female students	19.5	Under occupation
2.	Hostel for EUSL main Campus 100 male students	19.5	Under occupation
3.	Hostel for EUSL main Campus 100 female students	19.5	Under occupation

## c. Lecture Halls

The following additional lecture Halls facilities were provided by constructing Semi Permanent Buildings to cater the need for additional intake in 2013:

S.No.	Name of the Project	Total Cost (Rs. in Mn.)	Present status
1.	Lecture Hall- 300 Students with staff Room for the FHCS	15.0	Completed and in usage
2.	Lecture Hall for the Faculty of Commerce & Management for 300 students	11.0	Completed and in usage



3.	Lecture Hall for the Faculty of Science for 350 students	12.4	Completed and in usage
4.	Lecture Hall for the Faculty of Agriculture for 150 students	7.0	Completed and in usage
5.	Examination Hall, Main Campus	19.0	Completed and in usage

**d. Building Complex for Sports:**

A Gymnasium building for the cost of 19.5 million had been completed and about to hand over to the Department of Physical Education.

**e. Proposal for New Construction Project:**

Project proposal for new building complex for the Faculty of Agriculture had been recommended by the MOHE and approval of Department of National Planning is awaited.

**f. Rehabilitation of building and infrastructure facilities:**

The following major improvements were made in 2013.

S.No.	Name of the Project	Total Cost (Rs. in Mn.)	Present status
1.	Boundary Wall for the Old premises and New Premises	22.0	Completed in 2013
2.	Renovation to the new Boys Hostel	12.0	Completed in 2013
3.	Renovation to Faculty of Science	6.5	Completed in 2013
4.	Improvement to Hostel Fencing	2.0	Completed in 2013
5.	Improvement of Drainage System	5.0	Completed in 2013
6.	Improvement of Internal Road	4.4	Completed in 2013
7.	Renovation to Main Hall	11.3	Completed in 2013
8.	Improvement of Entrance Gateway	4.9	Completed about to declared open
9.	Renovation to Faculty of Agriculture	3.2	Completed in 2013
10.	Improvement of Vice Chancellor's Bungalow	12.0	Completed in 2013

\* By construction of Semi Permanent building and Permanent building for hostels, the hostel facilities increased to 1200 in the year 2013 from 850 in 2012.

## C. Failure & Justification

1. Unfilled vacancies in the administrative positions such as Bursar, SAR, SAB should be filled by the UGC to run the University effectively and efficiently.
2. Vacancy for Works Engineers – UGC has to increase the allowances to engineers to attract engineers in Universities.
3. Poor English competence of the Academic, Non-Academic as well as the administrative staff -needs training.
4. Recruiting Professors for Medical and other faculties – More attractive salary packages should be introduced to distanced Universities.
5. Poor competency of the administrative staff – UGC has to give at least 2 weeks training before assigning them to Universities.
6. Need more cadres to form key functional units such as “Planning Unit” “Legal and Documentation Unit”, “Data Management Unit”, and “Information and Media Unit”.
7. Lack of on campus residential facilities for staff members.
8. Eastern University is located in a low lying area and is subjected to sudden and frequent flooding which causes considerable damages every year. New architectural design should be implemented to overcome the problem.

## D. Future Plan

### 1. Academic Programmes

- Extended Degree (3+1) with industrial placement: A **Nanotechnology** direction with a collaborative initiative with the Preston University, in Islamabad, Pakistan.
- Introduction of student feedback evaluation system at the end of each course.
- Introducing teaching square as a way of peer evaluation.
- Commencement of B. Ed. for the Faculty of Arts and Culture with enhanced Student/Centred Teaching and Learning Strategies.
- Introduce B.Sc. degree in Pharmacy.
- Introducing more self financing courses, with the intention of making Batticaloa as a knowledge city.
- Encouraging students from foreign universities to do their elective appointment at Faculty of Health-Care Sciences and vice versa.
- Inclusion of more IT & English enriched curriculum.
- Study program on “PEACE MEDICINE” at FHCS as means of enhancing social harmony based on LLRC recommendation .
- Establishment of New faculties - “Faculty of Travel, Tourism and Hospitality”.
- Introducing more Internship/Industrial Training Programs for our graduates.

## **2. Promoting Research Activities**

- Allocate more funds to promote research in addition to UGC Research Grants.
- Organizing International Research Symposium every year.
- Continue to promote researches and awareness in response to social issues such as alcoholism, child abuse, dengue outbreak, and etc.

## **3. Establishing Link Programmes**

- Establishing links with foreign universities as well as local universities and research centers for mutual benefits.
- Establishing subject society in collaboration with passed out employed students in the private sector to train them for private sector environment.

## **4. Improving World Ranking Status**

- Formation of a committee to upgrade our university world ranking and monitor the progress.

## **5. Improving Students Facilities**

- Establishment of IT and Language Labs.
- Establishment of the “Centre for Employable and Entrepreneurial Skills Development”.
- Strengthening existing Centre for Information and Communication Technology to provide ICT for all.
- Increasing Sports facilities.
- Promoting social harmony through sports and cultural programme.

#### 4. Details of Resources & Students:

Faculty	Course	Total Students	Total Academic Staff	Total Non-Academic Staff
<b>EUSL</b>				
Arts & Culture	Bachelor of Arts & Culture	1290	50	21
Agriculture	Bachelor Science in Agriculture	255	27	32
Commerce & Management	Bachelor of Business Administration	382	21	14
	Bachelor of Commerce	393		
Health-Care Sciences	Bachelor of Medicine	243	20	31
	Bachelor of Nursing	76		
Science	Bachelor of Science (Bio)	258	28*	30
	Bachelor of Science (Physical )	261		
<b>Total</b>		<b>3158</b>	<b>118</b>	<b>128</b>
<b>Trincomalee Campus</b>				
Communication & Business Studies	B.Sc. in Management	270	12	02
	B.Sc. in Communication	174	08	02
Applied Sciences	B.Sc. in Computer Science	20	05	01
Unit of Siddha Medicine	B.Siddha Medicine & Surgery	60	07	01
<b>Total</b>		<b>524</b>	<b>32</b>	<b>06</b>

\* CICT -02

## 5. Details of Local Students:

Faculty	Course	Medium	Intake 2013	1 <sup>st</sup> Year Students	2 <sup>nd</sup> Year Students	3 <sup>rd</sup> Year Students	4 <sup>th</sup> Year Students	5 <sup>th</sup> Year Students	No of Graduated
<b>EUSL</b>									
Arts & Culture	Bachelor of Arts & Culture	Tamil	400	567	261	253	209	-	374
Agriculture	Bachelor Science in Agriculture	English	120	104	73	42	36	-	27
Commerce & Management	Bachelor of Business Administration	English	100	110	105	88	79	-	96
	Bachelor of Commerce	English	100	89	94	75	135	-	
Health-Care Sciences	Bachelor of Medicine	English	60	76	50	51	66		27
	Bachelor of Nursing	English	30	36	26	09	05	-	-
Science	Bachelor of Science (Bio-Science)	English	150	119	114	08	17	-	57
	Bachelor of Science (Physical Science)	English	150	89	133	19	20	-	
<b>Total</b>			<b>1110</b>	<b>1190</b>	<b>856</b>	<b>545</b>	<b>567</b>		<b>581</b>
<b>Trincomalee Campus</b>									
Communication & Business Studies	B.Sc. in Management	English	174	113	66	51	40	-	35
	B.Sc. in Communication	English	80	60	49	51	15	-	14
Applied Sciences	B.Sc. in Computer Science	English	-	-	10	10	-	-	-
Unit of Siddha Medicine	B.Siddha Medicine & Surgery	English	74	14	11	16	19	-	-
<b>Total</b>			<b>328</b>	<b>184</b>	<b>136</b>	<b>128</b>	<b>73</b>	<b>-</b>	<b>49</b>

## 6. Details of Academic Staff:

### a. EUSL

Faculties	Subjects	Medium	Senior Professor	Professor/ Associate Prof.	Senior Lecturer /Lecturer (Prob.)	Instructors/ Visiting Staff/ Temp. Tutor/Tutor
Arts & Culture	Arabic Comparative Religion & Social Harmony Education & Childcare Fine Arts and Drama & Theater Arts Geography History Languages Islamic Studies Social Sciences Christianity Economics Hindu Civilization	Tamil/ English	Nil	03	47	11
Agriculture	Agric. Biology, Agric.Chemistry, Agric.Economics, Agric.Engineering, Animal Science, Crop Science	English	Nil	01	26	07
Commerce & Management	Commerce, Management, Economics, Human Resource Management, Marketing, Enterprise Development, Accountancy & Finance, Business Economics, Development Economics	English	Nil	Nil	21	10
Science	Botany Zoology Physics Chemistry Mathematics	English	Nil	01	25	09
Health Care Sciences	Dept. of Human Biology Clinical Sciences Medical Education & Research Pathophysiology Supplementary Health Sciences Primary Health Care	English	Nil	Nil	20	09
<b>TOTAL</b>			Nil	<b>05</b>	<b>139</b>	<b>46</b>

## b. Trincomalee Campus

Faculties	Department/ Unit	Medium	Senior Lecturer /Lecturer (Prob)	Instructors/ Visiting Staff
Communication & Business Studies	Management	English	12	-
	Communication	English	08	-
Applied Sciences	Computer Science	English	04	-
	Physical Science	English		-
Unit of Siddha Medicine	-	English	07	-
<b>Total</b>			<b>31</b>	<b>-</b>

## 7. Details of Non-Academic Staff:

### a. EUSL

Faculties/Departments/Sections/ Branches/ Units	Most Senior <sup>1</sup>	Senior Staff <sup>2</sup>	Junior Staff <sup>3</sup>	Minor Employees <sup>4</sup>
Office of the Vice Chancellor, VC Lodge	1	2	-	1
Office of the Registrar	1	1	3	1
Senate House	-	-	1	1
Administration Branch	-	-	19	1
Internal Audit Unit	1	1	1	1
Career Guidance Unit	-	-	-	-
Non Academic/ Establishments Branch	1	-	3	1
Academic/ Establishments Branch	1	-	5	1
Supplies Branch	1	-	6	2
Office of the Bursar	2	2	3	1
Faculty of Agriculture	1	3	15	13
Faculty of Commerce & Management	1	-	7	6
Faculty of Science	1	9	10	10
Faculty of Health Care Sciences	1	1	20	9
Faculty of Arts & Culture	1	4	10	6
Centre for Information & Communication	-	-	2	1
English Language Teaching Unit	-	-	-	1
Examination Branch	1	2	9	2
Centre for External Degrees & Extension Courses	-	1	3	1
Library	-	-	8	1
Health Centre	1	-	7	-
Physical Education	-	-	2	1
Welfare Branch	1	-	2	1
Department of Maintenance	1	-	9	16
Hostels	-	-	9	1
Office of the Security	1	2	15	-
<b>TOTAL</b>	<b>18</b>	<b>28</b>	<b>169</b>	<b>79</b>

1 - Administrative level & Executive Level

3 - Clerical & Allied Grade

2 - Senior Staff Grade

4 - Below the above Grade

## b. Trincomalee Campus

Faculties/Departments/Sections/ Branches/ Units	Most Senior <sup>1</sup>	Senior Staff <sup>2</sup>	Junior Staff <sup>3</sup>	Minor Employees <sup>4</sup>
General Administration	-	01	07	-
Maintenance	-	-	02	-
Examination Branch	-	-	01	01
Establishments Branch	-	-	01	-
Welfare Branch	-	01	-	-
Finance Branch	03	01	02	01
Library	-	04	02	-
Dean's Office	-	01	-	-
Dept. of Business & Management Studies	-	-	01	01
Dept. of Language & Communication Studies	-	-	02	-
Faculty of Applied Science	-	-	-	01
Unit of Siddha Medicine	-	-	02	-
<b>Total</b>	<b>03</b>	<b>08</b>	<b>20</b>	<b>04</b>

## 8. Details of Research, Innovation and Publications:

### a. EUSL

<b>1. Faculty Agriculture</b>			
Subject	Published	Commercialized	Presented
a. No of Researches	78	-	58
b. No of Innovations	-	-	-
c. No of Journals	10	-	-
d. No of Books	06	-	-
e. No of Articles	03	-	-
f. Other	-	-	-
<b>Total</b>	<b>97</b>	<b>-</b>	<b>58</b>
<b>2. Faculty Arts &amp; Culture</b>			
Subject	Published	Commercialized	Presented
a. No of Researches	11	-	17
b. No of Innovations	02	-	-
c. No of Journals	01	-	-
d. No of Books	-	-	-
e. No of Articles	39	-	01
f. Other	-	-	02
<b>Total</b>	<b>53</b>	<b>-</b>	<b>20</b>
<b>3. Faculty of Commerce &amp; Management</b>			
Subject	Published	Commercialized	Presented
a.No of Researches	03	-	12
b.No of Innovations	-	-	-
c.No of Journals	02	-	-
d.No of Books	01	-	01
e.No of Articles	03	-	-
f. Other	-	-	04
<b>Total</b>	<b>09</b>	<b>-</b>	<b>17</b>



<b>4. Faculty Health-Care Sciences</b>			
<b>Subject</b>	<b>Published</b>	<b>Commercialized</b>	<b>Presented</b>
a. No of Researches	09	-	10
b. No of Innovations	-	-	-
c. No of Journals	01	-	-
d. No of Books	-	-	-
e. No of Articles	-	-	-
f. Other	-	-	01
<b>Total</b>	<b>10</b>	<b>-</b>	<b>11</b>
<b>5. Faculty Science</b>			
<b>Subject</b>	<b>Published</b>	<b>Commercialized</b>	<b>Presented</b>
a. No of Researches	95	-	42
b. No of Innovations	-	-	-
c. No of Journals	-	-	-
d. No of Books	04	-	-
e. No of Articles	-	-	-
f. Other	14	-	08
<b>Total</b>	<b>113</b>	<b>-</b>	<b>50</b>

**b. Trincomalee Campus**

<b>Subject</b>	<b>Published</b>	<b>Commercialized</b>	<b>Presented</b>
a. No of Researches	11	-	04
b. No of Innovations	-	-	-
c. No of Journals	03	-	-
d. No of Books	-	-	-
e. No of Articles	04	-	-
f. Other	-	-	-
<b>Total</b>	<b>18</b>	<b>-</b>	<b>04</b>

**9. Details of Programme, Seminars & Workshops:**

**a. EUSL**

<b>1. Faculty Agriculture</b>			
<b>Subject</b>	<b>Attended</b>	<b>Completed</b>	<b>Presented</b>
a. No of Postgraduate Degree Programme	02	-	-
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	-	-	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	03	-	-
f. Other	19	-	01
<b>Total</b>	<b>24</b>	<b>-</b>	<b>01</b>
<b>2. Faculty Arts &amp; Culture</b>			
<b>Subject</b>	<b>Attended</b>	<b>Completed</b>	<b>Presented</b>
a. No of Postgraduate Degree Programme	-	03	-
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	-	02	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	02	04	-
f. Other	-	01	-
<b>Total</b>	<b>02</b>	<b>10</b>	<b>-</b>

<b>3. Faculty of Commerce &amp; Management</b>			
<b>Subject</b>	<b>Attended</b>	<b>Completed</b>	<b>Presented</b>
a. No of Postgraduate Degree Programme	-	-	-
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	-	01	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	-	05	-
f. Other	03	-	11
<b>Total</b>	<b>03</b>	<b>06</b>	<b>11</b>
<b>4. Faculty Health-Care Sciences</b>			
<b>Subject</b>	<b>Attended</b>	<b>Completed</b>	<b>Presented</b>
a. No of Postgraduate Degree Programme	06	-	-
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	-	-	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	06	09	-
f. Other ( <i>Seminars &amp; Workshops</i> )	07	12	-
<b>Total</b>	<b>19</b>	<b>21</b>	<b>-</b>
<b>5. Faculty Science</b>			
<b>Subject</b>	<b>Attended</b>	<b>Completed</b>	<b>Presented</b>
a. No of Postgraduate Degree Programme	-	-	01
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	-	05	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	-	04	-
f. Other	17	-	-
<b>Total</b>	<b>17</b>	<b>09</b>	<b>01</b>

#### **b. Trincomalee Campus**

<b>Subject</b>	<b>Attended</b>	<b>Completed</b>	<b>Presented</b>
a. No of Postgraduate Degree Programme	05	07	-
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	-	-	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	-	-	-
f. Other	23	10	-
<b>Total</b>	<b>28</b>	<b>17</b>	<b>-</b>

### **10. Details of Awards Received:**

#### **a. EUSL**

<b>1. Faculty of Agriculture</b>			
<b>Subject</b>	<b>No of Awards</b>	<b>No of Academics</b>	<b>No of Students</b>
a. Local awards	01	01	-
b. National Awards	-	-	-
c. International Awards	-	-	-
d. Other	-	-	-
<b>Total</b>	<b>01</b>	<b>01</b>	<b>-</b>

<b>2. Faculty Arts &amp; Culture</b>			
<b>Subject</b>	<b>No of Awards</b>	<b>No of Academics</b>	<b>No of Students</b>
a. Local awards	-	-	-
b. National Awards	-	-	-
c. International Awards	-	01	-
d. Other	-	-	-
<b>Total</b>	<b>-</b>	<b>01</b>	<b>-</b>
<b>3. Faculty of Commerce &amp; Management - Nil</b>			
<b>4. Faculty of Health Care Sciences</b>			
<b>Subject</b>	<b>No of Awards</b>	<b>No of Academics</b>	<b>No of Students</b>
a. Local awards	-	-	-
b. National Awards	-	-	-
c. International Awards	-	-	-
d. Other (U G C Grant)	01	01	-
<b>Total</b>	<b>01</b>	<b>01</b>	<b>-</b>
<b>5. Faculty Science</b>			
<b>Subject</b>	<b>No of Awards</b>	<b>No of Academics</b>	<b>No of Students</b>
a. Local awards	01	01	-
b. National Awards	02	02	-
c. International Awards	-	-	-
d. Other	-	-	-
<b>Total</b>	<b>03</b>	<b>03</b>	<b>-</b>

**b. Tricomalee Campus**

No awards received during this period.

## 11. Details of New Courses Started

No new courses started during this period.

## 12. Details of Recurrent Expenditure:

### a. EUSL

Subject	2012 Rs.	2013 Rs.
a. Personal emoluments	314,543,938.91	410,261,039.71
b. Travelling	1,173,847.69	2,315,579.01
c. Supplies	23,681,136.36	35,355,288.37
d. Maintenance	9,872,207.49	15,809,210.32
e. Contractual Services	61,387,309.09	85,324,073.61
f. Other	16,428,218.96	78,730,481.71
<b>Total</b>	<b>427,086,658.50</b>	<b>627,795,672.73</b>

### a. Trincomalee Campus

Subject	2012 Rs.	2013 Rs.
a. Personal emoluments	44,844,297.35	56,232,276.33
b. Travelling	205,965.28	278,650.70
c. Supplies	6,312,522.67	9,744,711.24
d. Maintenance	2,924,883.12	4,108,998.37
e. Contractual Services	38,192,975.88	38,483,676.25
f. Other	3,231,742.74	6,972,481.32
<b>Total</b>	<b>95,712,387.04</b>	<b>115,820,794.21</b>

## 13. Details of Capital Expenditure

### a. EUSL

Subject	2012 Rs.	2013 Rs.
a. Acquisition of furniture & Office Equipments	24,972,730.64	39,559,284.41
b. Acquisition of Machineries	-	-
c. Acquisition of Building & Structures	261,251,304.74	346,530,114.84
d. Other	77,839,425.35	70,292,573.29
<b>Total</b>	<b>364,063,460.73</b>	<b>456,381,972.54</b>

### b. Trincomalee Campus

Subject	2012 Rs.	2013 Rs.
a. Acquisition of furniture & Office Equipments	8,401,209.40	22,656,554.66
b. Acquisition of Machineries	-	299,040.00
c. Acquisition of Building & Structures	16,021,520.16	25,370,300.68
d. Other	7,479,282.66	4,365,311.64
<b>Total</b>	<b>31,902,012.22</b>	<b>52,691,206.98</b>

## 14. Details of Projects (Local/Foreign Funded)

### a. EUSL

Name &Detail	Loan /Grant	Funding Agency #	TCE Rs. (MN)	RFA Rs. (MN)	DF Rs. (MN)
<b>Permanent Buildings</b>					
Construction of Building Complex for the Faculty of Arts & Culture	Grant	GOSL	121.00	-	-
Construction of Building Complex for Students' Hostel for 250 Male Students including Construction of Boundary Wall and Entrance Gate for the Faculty of Health – Care Sciences of the Eastern University, Sri Lanka	Grant	GOSL	360.00	-	-
Construction of Building Complex for the Department of Zoology of Faculty of Science	Grant	GOSL	199.00	-	-
Construction of Building complex for Library	Grant	GOSL	171.00	-	-
Construction of Building complex for the Faculty of Commerce & Management	Grant	GOSL	230.00	-	-
Construction of Auditorium Cum Lecture Hall for the Faculty of Arts & Culture	Grant	GOSL	44.60	-	-
Construction of Building complex for Professorial Unit for the Faculty of Health Care Sciences at the Teaching Hospital, Batticaloa	Grant	GOSL	299.00	-	-
Hostel for 200 Boys at Vantharumoolai premises under the Tsunami Rehabilitation Project of the Ministry of Higher Education	Grant	GOSL	182.00	-	-
Hostel for 200 Boys at Vantharumoolai premises under the Ministry of Higher Education	Grant	GOSL	220.00	-	-
Hostel for 200 Girls for the Faculty of Health Care Sciences at Pillaiyaradi, Batticaloa under the Ministry of Higher Education	Grant	GOSL	220.00	-	-
<b>Semi Permanent Buildings</b>					
Hostel for the FHCS for 80 female students	Grant	GOSL	19.50	-	-
Hostel for EUSL main Center 100 male students	Grant	GOSL	19.50	-	-
Hostel for EUSL main Center 100 female students	Grant	GOSL	19.50	-	-
Lecture Hall- 300 Students with staff Room for the FHCS	Grant	GOSL	15.00	-	-
Lecture Hall for the Faculty of Commerce & Management for 300 students	Grant	GOSL	11.00	-	-

Lecture Hall for the Faculty of Science for 350 students	Grant	GOSL	12.40	-	-
Lecture Hall for the Faculty of Agriculture for 150 students	Grant	GOSL	7.00	-	-
Examination Hall, Main Campus	Grant	GOSL	19.00	-	-
Gymnasium building	Grant	GOSL	19.50	-	-
<b>Total</b>			2189.00		

# (GOSL / ADB / IDA / WB /..... )

## b. Trincomalee Campus

Name &Detail	Loan / Grant	Funding Agency #	TCE Rs.	RFA Rs.	DF Rs.
Construction of Proposed Students Recreation Centre at Trincomalee Campus	Grant	GOSL	34,047,619.00	-	-
Construction of Proposed Hostel Building Complex for 100 Girls at the Trincomalee Campus	Grant	GOSL	72,802,310.40	-	-
Construction of Proposed Laboratory Building at the Trincomalee Campus	Grant	GOSL	10,557,108.10	-	-
Construction of Proposed Hostel Building Complex for 100 Boys at the Trincomalee Campus	Grant	GOSL	72,802,310.40	-	-
Vehicle Park	Grant	GOSL	2,347,070.00	-	-
Construction of Research lab for Animal house of Unit of Siddha Medicine at Trincomalee Campus	Grant	GOSL	3,590,140.30	-	-
Construction of Lecture for the Dept of BMS & LCS	Grant	GOSL	3,590,140.30	-	-
Construction Of 10m width and 200m long two way asphalt surfacing road from entrance to academic buildings at Trincomalee Campus.	Grant	GOSL	16,013,229.80	-	-
Construction of 200M Long boundary wall with steel work for new entrance at Trincomalee Campus.	Grant	GOSL	5,904,908.00	-	-
Renovation Works in Administration building, LCS building, BMS building and Library building at Trincomalee Campus.	Grant	GOSL	1,187,890.49	-	-
Renovation Works in canteen in Trincomalee Campus.	Grant	GOSL	378,220.21	-	-
Partation work for network building at Library & Amono sheet roof work for Finance &Computer unit	Grant	GOSL	761,900.00		

Improvement of internal access by interlock pavements at Trincomalee Campus.	Grant	GOSL	12,558,739.53		
Construction of semi-permanent building for Lecture hall with seating capacity at Trincomalee Campus	Grant	GOSL	7,732,078.34	-	-
Construction of Students Canteen at Trincomalee Campus.	Grant	GOSL	2,787,925.00		
Renovation works in Dean's Office at Trincomalee Campus	Grant	GOSL	620,160.00		
Renovation Toilets & Construction of sockage pit at No.315, Dockyard Road, Boy's Hostel	Grant	GOSL	99,693.00		
Urgent painting works in No.315, Boy's Hostel at Pulliyankulam.	Grant	GOSL	95,378.70		
Construction of Store building	Grant	GOSL	4,000,100.00		
Renovation works in girl's hostel of Trincomalee Campus at Pilayarkovil road, Selvanayagapuram, Trincomalee.	Grant	GOSL	188,296.75		
Partition works in BMS Building and LCS Building at Trincomalee Campus, Eastern University, Sri Lanka.	Grant	GOSL	668,675.00		
Improvement of Video Conference Room in BMS Lecture Hall of at Trincomalee Campus	Grant	GOSL	790,420.00		
<b>Total</b>			<b>253,524,313.32</b>	<b>-</b>	<b>-</b>

# (GOSL / ADB / IDA / WB /..... )

## 15. Details of Project Expenditure (Local/ Foreign Funded):

### a. EUSL

Name	TCE Rs. (MN)	Exp in 2012 Rs. (MN)	Exp in 2013 Rs. (MN)	Cumulative Exp as at 31.12.2013 (MN)	% of Physical Progress
<b>Permanent Buildings</b>					
Construction of Building Complex for the Faculty of Arts & Culture	121.00	25.73	55.00	80.73	90
Construction of Building Complex for Students' Hostel for 250 Male Students including Construction of Boundary Wall and Entrance Gate for the Faculty of Health – Care Sciences of the Eastern University, Sri Lanka	360.00	-	5.26	5.26	1
Construction of Building Complex for the Department of Zoology of Faculty of Science	199.00	127.14	10.05	137.19	99
Construction of Building complex for Library	171.00	49.12	60.00	109.12	95
Construction of Building complex for the Faculty of Commerce & Management	230.00	56.04	65.00	121.04	80
Construction of Auditorium cum Lecture Hall for the Faculty of Arts & Culture	44.60	-	-	-	-
Construction of Building complex for Professorial Unit for the Faculty of Health Care Sciences at the Teaching Hospital, Batticaloa	299.00	-	2.08	2.08	1
Hostel for 200 Boys at Vantharumoolai premises under the Tsunami Rehabilitation Project of the Ministry of Higher Education	182.00	-	25.00	25.00	14
<b>Semi Permanent Buildings</b>					
Hostel for the FHCS for 80 female students	19.50	-	17.98	17.98	92
Hostel for EUSL main Center 100 male students	19.50	-	17.98	17.98	92
Hostel for EUSL main Center 100 female students	19.50	-	17.98	17.98	92
Lecture Hall- 300 Students with staff Room for the FHCS	15.00	-	13.68	13.68	91
Lecture Hall for the Faculty of Commerce & Management for 300 students	11.00	-	26.66	26.66	87
Lecture Hall for the Faculty of Science for 350 students	12.40	-			
Lecture Hall for the Faculty of Agriculture for 150 students	7.00	-			
Examination Hall, Main Campus	19.00	-	16.38	16.38	86
Gymnasium building	19.50	-	13.48	13.48	69
<b>Total</b>	<b>1,749.00</b>	<b>258.04</b>	<b>346.53</b>	<b>604.57</b>	<b>-</b>



**b. Trincomalee Campus**

Name	TCE Rs.	Exp in 2012 Rs.	Exp in 2013 Rs.	Cumulative Exp as at 31.12.2013	% of Physical Progress
Men's Hostel	100,000,000.00	1,605,000.00	16,345,966.29	17,950,966.29	
Women's Hostel	100,000,000.00	1,605,000.00	16,414,895.58	18,019,895.58	-
Science laboratory	14,000,000.00	-	5,770,725.17	5,770,725.17	-
Recreational Centre	45,500,000.00	-	6,877,368.92	6,877,368.92	-
<b>Total</b>	<b>259,500,000.00</b>	<b>3,210,000.00</b>	<b>45,408,955.96</b>	<b>48,618,955.96</b>	<b>-</b>

**16. Details of Financial Progress (Expenditure):**

**a. EUSL**

Subject	Provision in 2013 Rs	Exp in 2013 Rs	Savings / Excess Rs
a. Recurrent except Project	487,120,000.00	627,795,672.73	(140,675,672.73)
b. Capital except Project	587,933,000.00	456,381,972.54	(131,551,027.46)
c. Project - Local funded	-	-	-
d. Project - Foreign funded	-	-	-
<b>Total</b>	<b>1,075,053,000.00</b>	<b>1,084,177,645.27</b>	<b>(272,226,700.19)</b>

**b. Trincomalee Campus**

Subject	Provision in 2013 Rs	Exp in 2013 Rs	Savings / Excess Rs
a. Recurrent except Project	111,000,000.00	115,820,794.21	(4,820,794.21)
b. Capital except Project	34,500,000.00	52,691,206.98	(18,191,206.98)
c. Project - Local funded	61,250,000.00	45,408,955.96	15,841,044.04
d. Project - Foreign funded	-	-	-
<b>Total</b>	<b>206,750,000.00</b>	<b>213,920,957.15</b>	<b>(7,170,957.15)</b>

## 17. Details of Financial Progress (Generated Income):

### a. EUSL

Source of Revenue	Provision in 2013 Rs.	Collection in 2013 Rs.	Deficit / Surplus Rs.
Undergraduate Studies	21,742,000.00	6,776,865.00	(14,965,135.00)
Postgraduate Studies	15,013,943.50	2,070,550.00	(12,943,393.50)
Consultancies	-	-	-
Other	2,713,701.34	413,825.00	(2,299,876.34)
<b>Total</b>	<b>39,469,644.84</b>	<b>9,261,240.00</b>	<b>(30,208,404.84)</b>

### b. Trincomalee Campus

Source of Revenue	Provision in 2013 Rs.	Collection in 2013 Rs.	Deficit / Surplus Rs.
Undergraduate Studies	2,076,000.00	2,586,787.08	510,787.08
Postgraduate Studies	-	-	-
Consultancies	-	-	-
Other	720,000.00	(914,923.90)	(194,923.90)
<b>Total</b>	<b>2,796,000.00</b>	<b>1,671,863.18</b>	<b>315,863.18</b>

## 18. Financial Performance Analysis - 2013:

### a. EUSL

Subject	Formula	Exp. Per Student Rs.
Recurrent Expenditure per Student (RE)	RE / No of Student strength	198,795.34
Capital Expenditure per Student (CE)	CE / No of Student strength	144,516.14
<b>Total</b>		<b>343,311.48</b>

### b. Trincomalee Campus

Subject	Formula	Exp. Per Student Rs.
Recurrent Expenditure per Student (RE)	RE / No of Student strength	221,032.05
Capital Expenditure per Student (CE)	CE / No of Student strength	187,214.05
<b>Total</b>		<b>408,246.10</b>

**19. Any Other Details / Performance Relevant to this Report:**

**Audit Committee Meetings held in 2013**

<b>S.No.</b>	<b>Meeting No.</b>	<b>Date</b>
01	19 <sup>th</sup> Audit Committee	29.01.2013
02	20 <sup>th</sup> Audit Committee	27.02.2013
03	21 <sup>st</sup> Audit Committee	27.03.2013
04	22 <sup>nd</sup> Audit Committee	29.05.2013
05	23 <sup>rd</sup> Audit Committee	24.06.2013
06	24 <sup>th</sup> Audit Committee	30.07.2013
07	25 <sup>th</sup> Audit Committee	10.09.2013
08	26 <sup>th</sup> Audit Committee	27.10.2013
09	27 <sup>th</sup> Audit Committee	27.11.2013
10	28 <sup>th</sup> Audit Committee	20.12.2013

20. Report of the Auditor General on the Finance Statements of Eastern University, Sri Lanka for the year ended 31 December 2013



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கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்  
**AUDITOR GENERAL'S DEPARTMENT**



මගේ අංකය  
எனது இல.  
My No.

EN/BT/B/EUSL/1/13/05

ඔබේ අංකය  
உமது இல.  
Your No.

දිනය  
திகதி  
Date

3/ October 2014

The Vice Chancellor,  
Eastern University, Sri Lanka.

**Report of the Auditor General on the Financial Statements of the Eastern University, Sri Lanka for the year ended 31 December 2013 in terms of Sub-section 108(1) of the Universities Act No. 16 of 1978.**

The audit of financial statements of the Eastern University, Sri Lanka for the year ended 31 December 2013 comprising the statement of financial position as at 31 December 2013 and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Sub-section 107(5) of the Universities Act No. 16 of 1978. My comments and observations which I consider should be published with the Annual Report of the University in terms of Sub-section 108 (1) of the Universities Act appear in this report. This report also to be considered as a detailed report in terms of Sub-section 108 (2) of the Universities Act.

**1.2 Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Public Sector Accounting Standards and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.



### 1.3 Auditor's Responsibility

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My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Standards of Supreme Audit Institutions (ISSAI 1000 – 1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Sub-sections (3) and (4) of Section 13 of the Finance Act, No.38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

### 1.4. Basis for Qualified Opinion

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My opinion is qualified based on the matters described in paragraph 2.2 of this report.



**2. Financial Statements**  
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**2.1. Opinion**  
-----

In my opinion, except for the effects of the matters described in paragraph 2.2 of this report, the financial statements give a true and fair view of the financial position of the Eastern University of Sri Lanka as at 31 December 2013 and its financial performance and cash flows for the year then ended in accordance with the Sri Lanka Public Sector Accounting Standards.

**2.2. Comments on Financial Statements**  
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**2.2.1 Sri Lanka Public Sector Accounting Standards (SLPSAS)**  
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Fixed assets such as laboratory and teaching equipment and vehicles at the total cost of Rs. 6,229,384 which had been fully depreciated and continued to be used in the year under review had not been revalued and brought to accounts in terms of SLPSAS-3.

**2.2.2 Accounting Deficiencies**  
-----

The following accounting deficiencies were observed.

- (a) The value of furniture taken by the University from Sabragamuwa University in the year 2011 had not been ascertained and brought to accounts.
- (b) The University had maintained two Bank Accounts in the name of “M/S Consortium Norwegian University of Science and Technology (NTNU) Link Project” and “Vice Chancellor’s Fund” and sums of Rs.1,743,603 and Rs.2,912,411 respectively had remained in those accounts as at the end of the year under review. However, those balances had not been brought to the accounts.
- (c) It was reported that assets such as furniture, equipment, books and vehicles at the total value of Rs. 19,411,037 were lost during the war situation prevailed in the district in 1990. In this connection, a sum of Rs 17,860,814 had only been adjusted in the books of accounts as loss of assets. However, adjustments had not been made in respect of balance assets of Rs. 1,550,223.



- (d) After completion of the Improving Relevance and Quality of Undergraduate Education (IRQUE) Project in 2011, assets of this Project such as computers, furniture, books and equipment were handed over to the University. However, those assets had not been valued and brought to the accounts.

### 2.2.3 Accounts Receivable

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The following observations are made.

- (a) The University had not taken action for more than 05 years to recover the outstanding loan balances aggregating Rs. 10,175,390 from 253 officers who were retired, vacated the posts and transferred out to other service stations.
- (b) Advances aggregating Rs. 5,000,378 granted to foreign suppliers were lying in 135 import advance accounts for over 10 years without action being taken to investigate and recover those advances from the respective suppliers.
- (c) Action had not been taken to recover the advances aggregating Rs. 14.61 million paid for various purposes such fuel, purchases and seminars and were lying for a period ranging from 01 year to 17 years.
- (d) Advances aggregating Rs.59.2 million had been paid to various suppliers and these advances were remained unsettled for over 5 years without action being taken to identify the relevant suppliers and recover the advances from them.

### 2.2.4 Lack of Evidence for Audit

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The following evidence indicated against each item had not been made available for audit.





Item	Value	Evidence not made Available
-----	-----	-----
	Rs.	
(a) Land and Building	19,834,078	Title Deeds
(b) Plant and Machineries	4,337,313	} Register of Fixed Assets
(c) Motor Vehicles	972,960	
(d) Sports Goods	6,021,870	
(e) Furniture Fittings and Office Equipment	132,868,565	
(f) Laboratory and Teaching Equipment	20,791,555	
(g) Books and Periodicals	17,889,686	
(h) Other Assets	24,638,430	
(i) Sundry Debtors	14,357,980	Detailed Schedules and Age Analysis

### 2.2.5 Transactions not Supported by Adequate Authority

The following observations are made.

- (a) According to the letter No.PE/01/174/11 (b) dated 6 March 1998 of the Director General of Public Enterprises and Establishments Circular Letter No. 08/2013 dated 23 May 2013 of the University Grants Commission, the allowances payable for language proficiency for government officers should not be extended to State Corporations and Statutory Boards. However, a sum of Rs. 321,110 had been paid to ten academic staff from 2005 to March 2011 and another sum of Rs.187,252 had been paid to seventy four non-academic staff during the year under review as language proficiency allowance.
- (b) Funds amounting to Rs. 17,327,951 had been received from TROMSO University of Norway to facilitate the BSc in Nursing Programme at the Faculty of Health Care Science without obtaining approval of the Council and Senate of the University. A separate book of accounts had not been maintained in this regard.





Even though a sum Rs. 17,327,951 had been received from the University of Norway, of this a sum of Rs 8,614,737 had not been spent up to 30 April 2014 as per the statement of former Deputy Bursar.

### 2:3. Non- compliance with Laws, Rules, Regulations and Management Decisions

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Instances of non-compliance observed in audit are given below.

Reference to Laws, Rules, Regulations and Management Decisions	Non- compliance
-----	-----
(a) Section 109 of the Universities Act No. 16 of 1978	The audited financial statement and report of the Auditor General for the year 2012 had not been published in the Government Gazette up to 30 April 2014.
(b) Establishments Code for the University Grants Commission and Higher Educational Institutions	
-----	
(i) Section 20.6 of Chapter- X	Particulars of no-pay leave obtained by 02 academic staffs had not been reported monthly to the Auditor General in Form General: 96.
(ii) Section 3:1 of Chapter- XXVII	The arrival and departure of academic staff of the University had not been recorded in attendance register. In this regard, the Vice Chancellor had informed me that, by tradition the academic staff are not recorded their attendance.
(c) Public Finance Circular No.PF/FS/A Vehicle/2011 dated 6 May 2011	A sum of Rs. 577,000 derived from sale of vehicles of the University in July 2013 had not been credited to the Consolidated Fund.



**3. Financial Review**  
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**3.1 Financial Results**  
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According to the financial statements presented, the operations of the University during the year under review had resulted in a deficit of Rs. 765,406,686 before taking into account the Government Grant of Rs. 621,470,000 for recurrent expenditure as compared with the corresponding deficit of Rs. 600,358,590 for the preceding year before taking into account the Government Grant of Rs. 516,211,000 for that year thus indicating a further deterioration of Rs. 165,048,096 in the financial results. The increase of operating expenses by Rs. 168,614,358 against the increase of other income by Rs. 9,133,842 was the main reason for this deterioration.

**4. Operating Review**  
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**4.1. Performance**  
-----

The academic performance of the University during the year under review was as follows.

(a) Results of Examinations  
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Details of final examinations held in 2013 and the passing out of graduates are as follows.

Details	Faculty of Agriculture	Faculty of Arts and Culture	Faculty of Commerce and Management	Faculty of Science	Faculty of Health Care Sciences
No. of students sat for final examinations during the year under review	24	311	103	41	42



No. of students passed the examinations	24	311	81	34	42
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No of students passed degree examinations, as a percentage of No. of students who sat for the examinations	100%	100%	78.64%	82.92%	100%
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(b) Enrollment of Students

The number of students enrolled for each faculty and the number of students who left after obtaining degrees during the past 03 years are shown below.

Faculty	Number of Students Enrolled			Number of students who left after obtaining degrees		
	2010	2011	2012	2010	2011	2012
Faculty of Agriculture	127	175	174	16	29	-
Faculty of Arts and Culture	1466	1621	1441	40	312	431
Faculty of Commerce and Management	771	911	869	56	118	28
Faculty of Science	214	367	368	12	31	17



Faculty of Health						
Care Sciences	215	238	238	-	-	27
	-----	-----	-----	-----	-----	-----
Total	2793	3312	3090	124	490	503
	=====	=====	=====	=====	=====	=====

No students had been graduated from the Faculty of Agriculture in the year 2012 whilst 40 students only had been passed out in 2010 from the Faculty of Arts and Culture.

(c) Cost per Student

-----

The total cost of each faculty of the University and the cost per student for the year under review are shown below.

	Faculty of Agriculture	Faculty of Arts and Culture	Faculty of Commerce and Management	Faculty of Science	Faculty of Health Care Sciences
	-----	-----	-----	-----	-----
Total Cost (Rs.)	124,721,710	128,483,284	124,959,683	124,372,918	125,258,078
Total Number of Students	255	1290	775	579	359
Cost per Student(Rs.)	489,105	99,599	161,238	214,806	348,908

The highest cost per student amounting to Rs. 489,105 was reported at the Faculty of Agriculture whilst lower cost per student amounting to Rs. 99,599 was reported at the Faculty of Arts and Culture.



(d) Mahapola and Bursaries

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A sum of Rs. 16,689,950 had been paid as Mahapola to 925 students and a sum of Rs. 18,796,100 had been paid as Bursary to 1,069 students during the year under review. However, a sum of Rs. 1,826,900 in respect of Mahapola had not been paid to 610 students up to the date of audit on 22 May 2014 as those students had discontinued their courses.

(e) Library Administration

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393 books had not been returned within the stipulated period by 52 lecturers who had obtained books from the Library. In this regard, no proper action had been taken to get back those books which were outstanding for period ranging 01 year to 05 years or to impose a fine for the delays.

**4.2 Matters in Contentious Nature**

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The University had invited applications on 25 August 2011 from eligible persons for the post of Vice Chancellor. A former Senior Lecturer Grade- II in Mathematics who had vacated his post on 01 May 2006 had been appointed as Vice Chancellor with effect from 13 February 2012.

The following observations are made in this regard.

- (a) Application for the post of Vice Chancellor was entertained up to 30 September 2011. However, a Canadian Citizen and the former Senior Lecturer Grade- II in Mathematics of the Eastern University had made an application for the post of Vice Chancellor, while he was on vacation of post up to 30 November 2011.
- (b) An application for the post of Vice Chancellor had been made by the former Senior Lecturer Grade- II on 19 September 2011. However, he had made a request to the University for reinstatement of his post only on 11 October 2011 after submitting application for the post of Vice Chancellor.



- (c) The Council at its 220<sup>th</sup> meeting held on 14 January 2012 had recommended the Canadian citizen while he was living in Canada, who had vacated his post from 01 May 2006 to 30 November 2011 to select for the post of Vice Chancellor without considering the provision in Section 8.2 of Chapter V of the Establishments Code of Government of Sri Lanka.
- (d) The former Senior Lecturer Grade- II had been appointed as Vice Chancellor on 13 February 2012. However, he assumed duties at the University only on 05 March 2012 as Vice Chancellor and at the same date he resumed duty as Senior Lecturer Grade- II in Mathematics at the Department of Mathematics after returning from Canada.
- (e) Although he was living in Canada at the time of appointment of Vice Chancellor, the appointment letter posted to him indicated an address in Batticaloa.
- (f) Although, the former Senior Lecturer was reinstated by the University on 01 December 2011 after he made a request for the same on 11 October 2011, he had resumed duties as Senior Lecture Grade -II in Mathematics only on 05 March 2012.

### 4.3 Management Inefficiencies

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The following observations are made.

- (a) Fifty nine lecturers of the University who went abroad on scholarships had not reported for duty or left from the University after completion of the scholarships. However, the University had not taken action to recover sums aggregating Rs 150,994,569 as at 31 December 2013 from the 59 lecturers for breach of agreements. In this regard, the Vice Chancellor had informed me that, 12 cases out of 74 bond defaulters had been handed over to the Attorney General's Department to take legal action and to recover the dues from the defaulters. Two State Counsels are handling these cases. Further, sums aggregating Rs.9.7 million had been recovered from the bond defaulters up to 30 April 2014.



- (b) The University had not obtained approval from the University Grants Commission (UGC) in terms of Section 29 (d) and 29 (e) of the Universities Act, No. 16 of 1978 to confer post-graduate degrees even up to 31 December 2013. However, three post-graduate degree courses (taught courses) had been conducted without obtaining such approval from the UGC. In this regard, the Vice Chancellor had informed me that, approval from UGC was not necessary for the research based courses such as M.Phil and Ph.D.
- (c) Rent had not been recovered from 38 officers who were in occupation of 20 official quarters as at the end of the year under review in terms of Section 5 of Chapter XIX of the Establishments Code of Government of Sri Lanka. Meanwhile, economic rent had been recovered from the occupants of the official quarters belonging to the University at the monthly rental ranging from Rs.150 to Rs.600 during the year under review without obtaining a report from the Government Valuer as per Paragraph 1 of the State Accounts Circular No.147/2002 dated 16 April 2002.

#### 4.4 Procurement of Medical Equipment

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Medical equipment to the value of Rs 13.36 million had been procured from a private company in India during the previous year for the use of Faculty of Health Care Sciences (FHCS). The following observations are made in this regard.

- (a) A Technical Evaluation Committee (TEC) had not been appointed for the purchase of medical equipment. Instead, the Procurement Committee (PC) had recommended and approved the purchase of medical equipment.
- (b) The Faculty of Health Care Sciences had invited quotations directly by sending e-mails to the selected suppliers without following the required tender procedures.
- (c) According to the information made available for audit, the same supplier had submitted all three quotations and there were irregularities in the quotations submitted by the supplier. However, this had not been considered by the PC.



- (d) Although the medical equipment called “eight accessories of the tissue processor” had been procured at a cost of Rs. 4.5 million, it had remained idle in a box from the date of purchase due to failure to purchase the main part of tissue processor valued at Rs. 2.9 million.
- (e) Even though the Audit Committee had recommended at its meeting held on 27 January 2014 to black list the supplier at the EUSL since the supplier had cheated the University by submitting bogus quotations, exorbitant prices, tempering with brand and the label on the items supplied to the University and also for delaying the supply, the University had not taken action to black list the supplier even up to 30 June 2014. In this regard, the University had not taken action to recover the overpayment of Rs. 850,546 made to the supplier as recommended by the Inquiring Committee appointed by the University.

#### 4.5 Human Resources Management

The position of approved and actual cadre of the University as at 31 December 2013 is given below.

Category of Staff	Approved cadre	Actual cadre	Number of vacancies	Excess
Academic	230	153	72	-
Academic Support	14	09	05	-
Administrative	29	19	10	-
Temporary (Academic)	59	58	01	-
Visiting	-	-	-	70
<b>Total</b>	<b><u>332</u></b>	<b><u>239</u></b>	<b><u>88</u></b>	<b><u>70</u></b>





The following observations are made in this regard.

- (a) The University had not taken action even as at the end of the year under review to fill 88 vacancies.
- (b) There were 20 vacancies in key academic post such as post of Professor and Associate Professor in five faculties of the University. However, the University had not taken action to fill the vacancies.

In this regard, the Vice Chancellor had informed me that, the vacant posts were advertised through press advertisements on many occasions but, there were no responses.

**4.6 Assets Management**

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An elevator purchased at a cost of Rs. 2,018,963 in the year 2007 and installed at the Senate Building had not been utilized for more than six years due to lack of spare parts.

**5. Accountability and Good Governance**

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**5.1 Tabling of Annual Report**

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Annual Report for the year 2011 had been tabled in Parliament only on 20 January 2014 and the Annual Report for the year 2012 had not been tabled in Parliament up to 30 April 2014.

**5.2 Action Plan**

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According to the Circular Letter No.PF/R/2/2/3/5/(4) dated 10 March 2010 of the Director General of Public Finance, the University had not prepared an Annual Action Plan and Annual Performance Report for the year under review.





### 5.3 Internal Audit

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Permanent and experienced staff had not been appointed to the Internal Audit Unit to carry out the internal audit in an efficient and effective manner.

### 5.4 Procurement Plan

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A procurement plan had not been prepared for the year under review in terms of Section 4.2 of the Procurement Guidelines-2006.

### 5.5 Budgetary Control

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Significant variances were observed between the budgeted and actual income and expenditure thus, indicating that the budget had not been made use of as an effective instrument of management control.

## 6. Systems and Controls

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Deficiencies in systems and controls observed in audit were brought to the notice of the Vice Chancellor from time to time. Special attention is needed in respect of the following areas of controls.

- (a) Accounting
- (b) Assets Management
- (c) Payments and Settlement of Advances
- (d) Procurement Procedure
- (e) Recruitment Procedure

  
H. A. S. Samaraweera  
Auditor General

**21. MANAGEMENT RESPONSE TO THE AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENTS OF THE EASTERN UNIVERSITY, SRI LANKA FOR THE YEAR ENDED 31 DECEMBER 2013 IN TERMS OF SECTION 108 (2) OF THE UNIVERSITIES ACT, NO. 16 OF 1978 AND SECTION 13 (7) (A) OF THE FINANCE ACT, NO. 38 OF 1971**

<b>Audit Paragraph Reference &amp; Management Observation of Governing Authority</b>	<b>Observation</b>
<b>2.2 Comments on Financial Statements:</b>	
<b>2.2.1 Best Accounting Practices</b>	
Fixed assets such as laboratory and teaching equipment and vehicles at the total cost of Rs. 6,229,384 which had been fully depreciated and continued to be used in the year under review had not been revalued and brought to accounts.	The comment of the Auditor General is accepted. EUSL has taken action to complete the Fixed Assets Register through the Outsource Service Provider. Once the task is completed before the end of June 2014, it would be incorporated in the final accounts.
<b>2.2.2 Accounting Deficiencies:</b>	
(a)	The value of assets such as buildings and furniture taken over from the Staff Development Centre, Buttala in the year 2011 had not been brought to account.
(b)	The University had maintained two Bank Account in the name of "MIS Consortium NTNU Link Project" and "Vice Chancellor's Fund" sum of Rs.1,743,603 and Rs. 2,912,411 respectively had remained in those accounts as at the end of the year under review. However, those balances had not been brought to the accounts.
(c)	It was reported that assets such as furniture, equipment, books and vehicles at the total value of Rs. 19,411,037.00 were lost during the war situation prevailed in the district in 1990. In this connection, a sum of Rs 17,860,814 had only been adjusted in the books of accounts as loss of assets. However, adjustments had not been made in respect of balance assets of Rs. 1,550,222.00
(d)	After completion of the Improving Relevance and Quality of Undergraduate Education (IRQUE) Project in 2011, assets of this Project such as computers, furniture, books and equipment were handed over to the University. However, those assets had not been valued and brought to accounts.
The comment of the Auditor General is accepted. All the assets which were procured under IRQUE Project had been transferred to the relevant departments by the LTS Office, IRQUE Project, EUSL as per the letter dated 15.09.2010 from the Secretary, MOHE. Further regarding the Capitalization of the assets in the books of accounts, a task had been given to Outsource Service Provider who had undertaken the project of prepare the Fixed Assets Register of EUSL and once the task is completed before the end of June 2014 it would be disclose in the extract statement of Non-Current Assets as at 31.12.2014.	

<b>2:2:3 Accounts Receivables:</b>		
(a)	<p>The University had not taken action for more than 05 years to recover the outstanding loan balances aggregating Rs. 10,175,390.00 from 253 officers retired, vacated the posts and transferred to other service stations.</p>	<p>Individual letters had been sent requesting the employees to settle the loan. If they do not comply with our request action will be taken to recover the outstanding either from their sureties of from University Provident Fund of the respective employees.</p> <p>Regarding the officers who were transferred to other service stations we have already informed to the relevant University/Institute on their outstanding loan balance and recovered from the University/Institution concern.</p>
(b)	<p>Advances aggregating Rs. 5,000,378.00 granted to foreign suppliers were lying in 135 import advance accounts for over 10 years without action being taken to investigate and recover those advances from respective suppliers.</p>	<p>The comment of the Auditor General is accepted. This matter was discussed at the Finance Committee and a Committee had been appointed to investigate this matter. Due to lack of evidences and most of the advances were given before the year 1995 the Committee could not complete investigation within the stipulated period. However, action is being taken to rectify this issue.</p>
(c)	<p>Action had not been taken to recover the advances aggregating Rs. 14.61 million paid for various purposes such fuel, purchases and seminars and were lying for a period ranging from 01 year to 17 years.</p>	<p>The comment of the Auditor General is accepted. It has frequently been discussed &amp; monitored by Audit and Finance Committees and decided to settle the unsettled advances for the year 2009,2010,2011 and 2012 with the following recommendations;</p> <ol style="list-style-type: none"> <li>a. To send the individual letters who had not settled that advance will be recovered from their salary commencing from Nov. 2013</li> <li>b. To accept the settlement as per the acceptability of the documents.</li> </ol> <p>Action had already been taken to recover the advances from the defaulters from their salaries.</p>
(d)	<p>Advances aggregating Rs.59.2 million had been paid to various suppliers and these advances were remained unsettled for over 5 years without action being taken to identify the relevant persons and recover advances from them.</p>	<p>The comment of the Auditor General is accepted. This matter was discussed at the Finance Committee and a Committee had been appointed to investigate this matter. Due to lack of evidences and most of the advances were given before the year 1995 the Committee could not complete investigation within the stipulated period. However, action is being taken to rectify this issue.</p>

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### 2.2.4 Lack of Evidence for Audit

The following items in the accounts could not be satisfactorily verified in audit due to non-availability of evidence indicated against each item.

Item	Value Rs.	Evidence not made Available
(i) Land and Building	19,834,078	Title Deeds
(ii) Plant and Machineries	4,337,313	Register of Fixed Assets and Reports of Boards of Survey
(iii) Motor Vehicles	972,960	
(iv) Sports Goods	6,021,870	
(v) Furniture Fittings and Office Equipment	132,868,565	
(vi) Laboratory Teaching Equipment	20,791,555	
(vii) Books and Periodicals	17,889,686	
(viii) Other Assets	24,638,430	
(ix) Sundry Debtors	14,357,980	Detailed Schedule Age Analysis

1. All the lands belongs to the Eastern University is long leased vested Government Land. During the past three decades, a proper land administration was not available in North East province and the EUSL only could able to obtain provisional vesting order from the Divisional Secretariat. Now action is being taken to obtain the Title deeds from the relevant authorities.
2. Preparation of Register of fixed Assets has given to Outsource Service Provider who is an outsourced reputed firm in Sri Lanka and they were almost completed the task. Details of the Fixed Assets would be able to easily verify and it would be *disclosed* in the extract statement of Non-Current Assets as at 31.12.2014.
3. The Annual Board of Survey 2012 had already been done and the Board of Survey 2013 had also been completed. The Reports are available for audit.
4. The Schedule of Age Analysis of Sundry Debtors could not be provided due to non availability of documentary evidence before the year 1990.

### 2.2.5 Transaction not Supported by Adequate Authority

(a) According to the letter No.PE/01/74/11 (b) dated 6 March 1998 of the Director General of Public Enterprises and Establishments Circular Letter No. 08/2013 dated 23 May 2013 of the University Grants Commission, the allowances payable for language proficiency for government officers should not be extended to State Corporations and Statutory Boards. However, sums aggregating Rs.321,110 had been paid to ten academic staff from 2005 to February 2011 and sums aggregating Rs. 1 87,252 had been paid to seventy four non-academic staff during the year under review as language proficiency allowance.

We agree with the comment. The total sum of Rs.321,110.00 had been paid to the academic staff as Language Proficiency Allowance up to March 2011.  
We have taken steps to recover the money from relevant academic staff.

(b) Funds amounting to Rs.17,327,951/- had been received from TROMSO University of Norway to facilitate the B.Sc. in Nursing Programme at the Faculty of Health Care Science without obtaining approval of the Council and Senate of the University. A separate book of accounts had not been maintained in this regard. Even though a sum Rs.17,327,951/- had been received from the University of Norway, a sum of Rs

The comment of the Auditor General is accepted. The 26<sup>th</sup> Audit Committee held on 27.10.2013 noted that sufficient evidence had not been available to prove the total amount received from University of Tromso, Norway and persons who handled this project fund also not alive/available at present. It was decided to send a letter to relevant Officer/s at University of Tromso requesting them to provide the project details including financial aspects.

<p>8,614,737/- had not been spent up to date as per the statement of former Deputy Bursar</p>	<p>Letters and reminders had been sent to the University of Tromso and no reply has been received so far. The University working out a Guide Line for entering in to Agreements / MOU with the outside agencies (foreign) with such funded projects are accepted.</p>
<p><b>2:2:6 Non-compliance with Laws, Rules, Regulations and Management Decision</b></p>	
<p><b>(a) Section 109</b> The Audited report for the year 2012 had not been published in the Government Gazette</p>	<p>The comment of the Auditor General is accepted. This matter had taken up at the Audit Committee at its 29<sup>th</sup> meeting held on 27.01.2014 and decided to take necessary action to publish the audited annual accounts for the year 2010, 2011 and 2012 in the Government Gazette. Action is being taken to publish the above documents as early as possible.</p>
<p><b>(b) Establishments Code of the University Grants Commission and Higher Educational Institutions</b> (i) Section 20.6 of Chapter- X: Particulars of no-pay leave obtained by 02 academic staffs had not been reported monthly to the Auditor General in Form General: 96</p>	<p>We agree and action will be taken to report all the no-pay leave particulars to the Auditor General in future. With prescribed form.</p>
<p>(ii) Section 3: I of Chapter- XXVII The arrival and departure of academic staff of the University had not been recorded in Attendance Register.</p>	<p>By tradition the academic staffs have not been recording their attendance in all Universities in Sri Lanka. However, the leave particulars are maintaining at the Faculty level.</p>
<p><b>(c) Public Financial Circular No.PF/FS/A Vehicle/2011 dated 6 May 2011</b> A sum of Rs.577,000/- derived from sale of vehicles of the University in July 2013 had not been credited to the Consolidated Fund.</p>	<p>We agree with the comment and action will be taken to comply with the Public Financial Circular No.PF/FS/A Vehicle/2011 dated 6 May 2011. Further on the recommendation of the Audit Committee the balance amount sum of Rs. 8,614,737/- had been taken in to the Books of Accounts. However the University still attempting to extract whatever information it could on the Project.</p>
<p><b>3 Financial Reviews</b></p>	
<p><b>3.1 Financial Results</b> According to the financial statements presented, the operations of the University during the year under review had resulted in a deficit of Rs. 143,936,686 after taking into account the Government Grant of Rs. 621,470,000 for recurrent expenditure as compared with the corresponding deficit of Rs. 84,147,589 for the preceding year after taking into account the Government Grant of Rs. 516,211,000 for that year thus indicating a deterioration of Rs. 59,789,097 in the financial results. Increase on depreciation charges and provision for gratuity during the year under review as compared with the previous year had mainly attributed for the decline in the financial results.</p>	<p>Noted for Compliance</p>

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<b>4. Operating Review</b>		
<b>4.1. Performance</b>		
(a)	Results of Examinations	Noted for Compliance
(b)	Enrollment of Students	
(c)	Cost per Student	
(d)	Mahapola and Bursaries	
(e)	Library Administration: 393 books had not been returned within the stipulated period by 52 lecturers who had obtained books from the Library. In this regard, no proper action had been taken to get back these books due for a period ranging 01 year to 05 years or impose a fine for the delays.	Several books had been returned. Further action had already been taken to send the reminder to the borrowers and if the borrowers did not respond to the reminder, cost of the book would be deducted from their salary with the penalty, if they are in service unless it will be deducted from their UPF.
<b>4.2 Appointment of Vice Chancellor</b>		
(a)	<p>The University had invited applications on 25 August 2011 from eligible persons for the post of Vice Chancellor. A former Senior Lecturer Grade- II in Mathematics who had vacated his post on 01 May 2006 had been appointed as Vice Chancellor with effect from 13 February 2012.</p> <p>The following observations are made in this connection.</p>	<p>The following facts pertaining to the above submitted for your perusal.</p> <ol style="list-style-type: none"> <li>At the time of calling for application the university was under the control of a Competent Authority, appointed by Hon. Minister of Higher Education according to the powers vested to him in the Universities Act 16 of 1978.</li> <li>Competent Authority in consultation with Hon. Minister of Higher Education and the Chairman, UGC decided to advertise the post of Vice Chancellor pending appointment of the Council.</li> <li>The advertisement for the post of Vice Chancellor did not mention about the nationality of the person, eligible to apply for the post.</li> <li>Applications thus received in response to the advertisement have been short listed.</li> <li>The new Council was appointed with effect from 1<sup>st</sup> January 2012 by the University Grants Commission, with the appointment of members by the UGC and the Council was reactivated from 1<sup>st</sup> of January 2012.</li> <li>Registrar thereafter summoned the Special meeting of the Council on 14.01.2012 where the names of candidates applied for the post of Vice-Chancellor were taken up at the Council in the presence of Prof. Abeygunawardhana, Former Vice Chancellor University of Peradeniya and the Member of the Commission as the representative from UGC.</li> <li>Recommendation made by the Council at the special meeting was forwarded to the University Grants Commission for upward transition to His Excellency the President. The appointment of</li> </ol>
(b)	Application for the post of Vice Chancellor was entertained up to 30 September 2011. However, a Canadian Citizen and the former Senior Lecturer Grade-II in Mathematics of the Eastern University had made an application for the post of Vice Chancellor, while he was on vacation of post up to 30 November 2011.	
(c)	An application for the post of Vice Chancellor had been made by the former Senior Lecturer Grade-II on 19 September 2011. However, he made a request to the University for reinstatement of his post only on 11 October 2011 after submitting application for the post of Vice Chancellor.	
(d)	The Council at its 220th meeting held on 14 January 2012 had recommended the Canadian citizen while he was living in Canada, who had vacated his post from 01 May 2006 to 30 November 2011 to select for the post of Vice Chancellor without considering the provision in Section 8.2 of Chapter V of the Establishments Code.	
	The former Senior Lecturer Grade- II had been appointed as Vice Chancellor on 13 February 2012. However, he assumed duties at the University only on 05 March 2012 as	

<p>(e)</p> <p>(f)</p>	<p>Vice Chancellor and at the same date he resumed duty as Senior Lecturer Grade- II in Mathematics at the Department of Mathematics after returning from Canada. Although he was living at 1114-40 Fountainhead Road, North York ON M3J 2V1 ,Canada at the time of appointment of Vice Chancellor, the appointment letter posted to him indicated his address as 15/1 , Maariamman Kovil Road, Kallady, Batticaloa.</p> <p>Although, the former Senior Lecturer was reinstated by the University on 01 December 2011 after he made a request for same on 11 October 2011, he had resumed duties as Senior Lecture Grade -II in Mathematics only on 05 March 2012 after a delay of 01 year 0 I month and 05 days.</p>	<p>new Vice-Chancellor had been made by HE the President by the letter no.CSA/7/VC/15dated 13.02.2012.</p> <p>8. The prerogatives making the post of Vice-Chancellor rest in HE the President.</p> <p>10.The Vice- Chancellor so appointed was assumed duties on 5<sup>th</sup> March, 2012.</p>
<p><b>4.3 Management Inefficiencies</b></p>		
<p>(a)</p>	<p>Fifty nine lecturers of the University who went abroad on scholarships had not reported for duty or left from the University after completion of the scholarships. However, the University had not taken action to recover a sum of Rs 144,493,458 as at 31 December 2013 from 59 lecturers for breach of agreements.</p>	<ul style="list-style-type: none"> <li>• 12 cases included 79 no's of Bond defaulters had been handed over to the Attorney General's Department to take legal action and to recover the dues from the defaulters. Two state counsels are handling these cases. Nearly 9.7 million had been recovered from the Bond Defaulters up to now.</li> <li>• The Department of Attorney General informed that they could not take up any cases beyond 10 year period in future. However, a request has been made to the Attorney General through the Chairman / UGC and Secretary / MoHE to pursue over 10 year cases as well.</li> <li>• No positive response received from the Attorney General Department up to now. Present Bond value as at 31.12.2013 is;  Total Bond value       Rs.160,786,567.43  Total Recovery         Rs. 9,791,997.71</li> </ul>
<p>(b)</p>	<p>The University had not obtained approval from the University Grants Commission (UGC) in terms of Section 29 (d) and 29 (e) of the Universities Act, No. 16 of 1978 to confer post-graduate degrees even up to 31 December 2013. However, eighteen post-graduate degree courses had been conducted without obtaining such approval from the UGC.</p>	<p>The comment of the Auditor General is accepted. Until the establishment of the Standing Committee on Postgraduate Studies at the UGC to grant approval for the Postgraduate programmes in the University system. As such all the Postgraduate programmes had been commenced by the all Universities without the approval of the Standing Committee of the UGC. But now all the Universities are requested by the UGC to regularize such Postgraduate programmes.</p> <p>Approval from UGC not necessary for the research based degrees such as M.Phil and Ph.D.</p>
<p>(c)</p>	<p>Rent had not been recovered from 38 officers who were in occupation of 20 official quarters as at the end of the year under review in terms of Section 5 of Chapter XIX of the Establishments Code. Meanwhile, economic rent had been recovered from official quarters belonging to the University at the monthly rental ranging from Rs.150 to</p>	<p>The comment of the Auditor General is accepted. Action will be taken to comply with the State Accounts Circular No. 147/2002 dated 16 April 2002 in future.</p>



	Rs.600 during the year under review without obtaining a report from the Government Valuer as per Paragraph of the State Accounts Circular No. 147/2002 dated 16 April 2002.	
<b>4.4 Procurement of Medical Equipment</b>		
	Medical equipment to the value of Rs 13.36 million had been procured from a private company in India during the previous year for the use of Faculty of Health Care Science (FHCS). The following observations are made in this regard.	This matter has been investigated by the University thoroughly. The Bio Medical Engineer, Division of Bio Medical Engineering Services, Ministry of Health Services in Colombo had been requested by the University to submit a report on the information regarding the Medical equipments and evaluate the quality and value of the equipments. Based on the report of the Bio Medical Engineer, the University appointed a Retired Superintendent of Audit as an independent Inquiry Officer to conduct an Inquiry.
(a)	A Technical Evaluation Committee (TEC) had not been appointed for the purchase of medical equipment. Instead, the Procurement	1. The Inquiry Officer submitted his report on 20.01.2014 and it was placed before the 29 <sup>th</sup> meeting of the Audit Committee held on 27.01.2014. The Audit Committee having considered the report made the following decisions:
(b)	The Faculty of Health Care Sciences had invited quotations directly by sending e-mails to selected suppliers without following National Competitive Bidding (NCB) process.	a) The University should not make any further payments to the supplier in order to cover the possible loss due to the fraudulent activities of the supplier.
(c)	According to the information made available for audit, the same supplier had submitted all three quotations and there were irregularities in the quotations submitted by the supplier. However, this had not been considered by the PC.	b) Black list the supplier at the EUSL, UGC, MoHE and Department of Finance since he had cheated the University by submitting bogus quotations, exorbitant prices, tampering with brand and the label on the items supplied to the University and also for delaying the supply instead of going for legal action against the supplier.
(d)	Although the medical equipment called "eight accessories of the tissue processor" had been procured at a cost of Rs 4.5 million, it had remained idle in a small box from the date of purchase due to the failure to purchase the main part of tissue processor valued at Rs. 2.9 million.	c) Audit Committee further recommended that there is no need for further inquiry since there were four inquiries already conducted in this regard and the findings have been almost the same. This would avoid further delay in finalizing the issues.
(e)	Even though the Audit Committee had recommended at its meeting held on 27.01.2014 to black list the supplier at the EUSL since the supplier had cheated the University by submitting bogus quotations, exorbitant prices, tampering with brand and the label on the items supplied to the University and also for delaying the supply	d) The Possible loss could be compensated by not making further payment.
(vii)	the University had not taken action to black list the supplier even up to 30.06.2014. in this regard, the University had not taken action to recover the overpayment of Rs.850,546.00 made to the supplier as recommended by the Inquiring Committee appointed by the University.	The above recommendation of the Audit Committee was placed before the 248 <sup>th</sup> meeting of the Council held on 24.01.2014 and the Council had approved the recommendation as the Council felt that there were no intension by the Procurement Committee for the lapses indicated in the query raised by the Auditor General and no financial loss occurred to the Eastern University. Action is being taken to implement the above decisions of the EUSL Council.
(viii)		

<b>4.5 Human Resources Management</b>		
(a)	The University had not taken action even as at the end of the year under review to fill 88 vacancies.	The vacant posts for the key academic posts were advertised through press advertisements in 2006 & 2012, but there were no positive responses received for the posts of Professors. Therefore these cadres were converted / filled by some Senior Lecturers (on contract basis) or Temporary Assistant Lecturers by considering the needs of the Faculties. However, Action will be taken to fill the vacancy as soon as possible.
(b)	There were 20 vacancies in key academic post such as post of Professor and Associate Professor in five faculties of the University. However, the University had not taken action to fill the vacancies. In this regard the Vice-Chancellor had informed me that, the vacant posts were advertised through press advertisement on many occasions but, there were no responses.	
<b>4.6 Assets Management</b>		
	An elevator purchased at a cost of Rs.2,018,963.00 in the year 2007 and installed Senate Building had not been utilized for more than six years due to lack of spare parts.	The Elevator had been repaired and now in use.
<b>5. Accountability and Good Governance</b>		
5.1	Tabling of Annual Report Annual Report for the year ended 31December 2011 had been tabled in Parliament only on 20 January 2014 and the Annual Report for the year 2012 and for the year under review had not been tabled in Parliament up to 30 April 2014.	The submission of Annual Reports to the Parliament usually made through the Ministry of Higher Education. Once the review on annual reports made by the ministry, it would be placed to the Parliament by the Ministry. Based on that we had already been submitted the Annual Report for the year 2012 to the relevant Ministry with 350 CDs.
5.2	Action Plan According to the Circular Letter No.PF/R/2/2/3/5/(4) dated 10 March 2010 of the Director General of Public Finance, the University had not prepared an Annual Action Plan an Annual Performance Report for the year under review.	The comment of the Auditor General is accepted. Now the Corporate Plan, Strategic plan, Action plan and Annual Performance Report had been updated in terms of the Circular Letter No.PF/R/2/2/3/5/(4) dated 10 March 2010 of the Director General of Public Finance and submitted to the relevant authorities .
5.3	Internal Audit Permanent and experienced staff had not been appointed to the Internal Audit Unit to carry out the internal audit in an effective manner.	Internal Audit Unit of the EUSL is effectively functions under an experienced Asst. Internal Auditor with the support staff with the cadre provision of its inception. Since expansion of the EUSL and increasing the volume of work additional cadres had already been proposed to the UGC.
5.4	Procurement Plan A procurement plan had not been prepared for the year under review in terms of Section 4.2 of the Procurement Guidelines-2006.	The comment of the Auditor General is accepted. Now it had been prepared as per the Section 4.2 of the Procurement Guidelines-2006.
5.5	Budgetary Control Considerable variances ranging from 1 per cent to 433 per cent were observed between the budgeted and actual income and expenditure relating to 20 heads of expenditure thus, indicating that the budget had not been made use of as an effective instrument of management control.	The comment of the Auditor General is accepted. The reason for the major variation was the increase of the allowances to the academic staff, increase on depreciation charges, additional intake and payment for gratuity for 31 employees who were interdicted and terminated after the disciplinary inquiry during the year under review.

6	<p>Systems and Controls</p> <p>Deficiencies in systems and controls observed in audit were brought to the notice of the Vice Chancellor from time to time. Special attention is needed in respect of the following areas of control.</p> <p>(a) Accounting</p> <p>(b) Assets Management</p> <p>(c) Payments and Settlement of Advances</p> <p>(d) Procurement Procedure</p> <p>(e) Recruitment Procedure</p>	Noted for Compliance
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 12/01/2015  
 Dr. K Kobindarajah  
 Vice Chancellor  
 Eastern University, Sri Lanka  
**Vice Chancellor**