

Education & Public Health (1945) Department.

Miss SERIES.

G.O. No. 1068 Edn.,

Dated 17th July 1945.

[Despatch Abstract.]

Audit Report - 1943-44 - Elementary Education Funds -
District Board, Salem - Recorded.

L.F. 9952
9.2.45

3482/45/E7

AUDIT REPORT ON THE ELEMENTARY EDUCATION FUND ACCOUNTS OF THE,
SALEM DISTRICT BOARD FOR THE YEAR 1943-44.

Name of Auditor:- A. V. Shrinani Rao, District Inspector
of Local Fund Accounts.

Time taken for audit: From 15-11-44 to 7-12-44.

The office of President was held by Sri K. A. Nachappa Choudhary
M.L.A. during the year.

FEB 10 1945

2. The receipts and payments during the year are shown in
the annual account appended, together with the opening and closing
balances. The opening balance in the cash book is in agreement
with the closing of the previous year. A single cash book was
maintained for both Elementary Education and General Fund Accounts.
The closing balance in the cash book agrees with the consolidated
closing balance of the General and Elementary Education Funds,
as per Abstract attached to the Account for March 1944, and is in
agreement with the balance in the Treasury pass Book, after
allowing for outstandings and unremitted Revenue in hand
at the close of the year.

3. The more important irregularities are detailed below.
Irregularities of a minor nature have been included in an Annual
Objection Statement which should be treated as part of this report.

4. Financial Position. In the budget proposed for 1943-44
~~the recurring charges exceeded the recurring~~
the recurring charges exceeded the recurring.
46,520/- and therefore the rate of Education Tax levied in the
area of the District Board, Salem was directed to be raised from
9 pias to 14 pias in the "Scale of Land Revenue, with effect
from Fiscal 1953 (vide orders 4 and 5 of G.O. No. 682 E dated
10-5-1943, ^{passing} as per order on the budget for the year. With
the additional income from the increased taxation and by avoiding
capital expenditure, the total expenditure was kept within the limit
of the year.

5. DRAWAL OF ADMISSIBLE GOVERNMENT GRANT. In G.O. No
542 M. 12-4-43, a grant of Rs 1,35,000/- was sanctioned for the
promotion and ^{expansion} of elementary education. In para 4 of
this order, it is stated that "the grant is to be used for the purpose of expansion of elementary education".

2. promote the expansion of elementary education and not to relieve the Board of the ^{existing} burden ^{to} to enable them to avoid expenditure hereafter upon elementary education which Government Council ~~xxxxxx~~ reasonable promotion and expansion of elementary education would naturally mean (a) the opening of new schools (b) the opening of new or additional classes in the ^{existing} schools (c) the appointment of additional teachers (d) the construction of new school buildings (e) provision of additional accommodation, (f) the awarding of scholarships and the like. But in reply to the D.O. of the Director of Public Instruction dated 22-4-43 the President District Board recommended (i) the payment of Head master's allowance (ii) providing full time sweepers (iii) the sanctioning of special pay to teachers who happen to be in back ward localities (iv) the conversion ^{and} of promotion of lower elementary teachers posts into higher elementary ones and the like. Both the Inspectors of schools and the Director of Public Instruction in their letters 20-4-43 and 2nd June 1943 respectively, pointed out that the above proposals of the ^{President District Board} were not satisfactory; the Director of Public Instruction further added that the transformation of lower grade posts into higher grade ones, are not possible for which the money was intended. It was however ^{noticed} from the statement of expenditure enclosed to the President District Board's report to Government dated 6/1-4-1944, that a grant of Rs. 930/- had been drawn for the conversion of elementary lower grade posts into higher grade ones. The grant needs to be refunded to Government as in Government memo No. 42291-A dated 4-10-1944, the president was informed that no portion of the special subsidy should be utilized on the substitution of posts of higher elementary grade trained teachers for posts of lower elementary grade. It was further noticed that out of the total grant of Rs. 1,35,000/- allotted to this District Board a sum of Rs. 1,240/- only was spent during the year.

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Expenditure on School not Recognized
6. According to the provisions of the Elementary Education Act and the Rules made thereunder, no expenditure may be incurred on schools not recognized. It was however, noticed that expenditure had been ~~xxxxxxxxxxxx~~ incurred on schools not recognized by the competent authority as indicated below:-

I Namakkal Taluk:-	Amount	Expenditure	Remarks
(a) Laddiyadi school	33-8-0		
(b) Pavitran do	27-0-0		FEB 10, 1945
(c) Vengarai do	10-0-0		School opened towards the end of March 44 and till
			Expenditure incurred in 1944-45
II Trichengode Taluk			
(d) Chinnahalli do	21-9-0		
III Attur Taluk			
(e) Manasikonda palayam do	21-5-0		
(f) Bhendrayan do	15-0-0		
IV Harur Taluk			
(g) Pavakal do	10-0-0		4-do-

The above expenditure as well as expenditure that may be incurred hereafter on the schools is chargeable unless recognition is obtained.

7. EXPENDITURE IN EXCESS OF THE BUDGET PROVISION. In the following cases expenditure was incurred in excess of the provision in the sanctioned budget. The ~~total~~ total expenditure also exceeded the provision in the budget of the competent authority ~~xxxxxxxx~~ as required by D.O.

No. 129 Edn dated 29-1-1942 was not also obtained for the reappropriations made.

	Expenditure	Budget Provision	Sanction
(1) Staff-salaries and allowances	5,83,715-5-0	5,51,300/-	St. Bd.
(2) Contingencies ^{Nil} to P.E.	25,884-0-0	25,000	--
(3) Travelling allowance	1159-4-0	1,000	--
(4) Total under 1 staff	6,23,388-8-0	5,99,400	P.T.
(5) Contingencies and other items	30,284-10-9	30,000	St. Bd.
(6) Total expenditure	6,53,673-8-9	6,29,400	Govt.

(a) The expenditure under contingencies other than on the increase every year as detailed below:-

1935-36.	14,517/-
1936-37.	24,977/-
1941-42	25,348/-
1942-43	25,873/-
1943-44	30,285/-

The sharp increase in the year under report needs investigation and the possibility of its reduction in future needs to be explored.

(b) The expenditure incurred under 'House Rents' during the years 1935-40 to 1943-44 is given below. It is suggested that the Board may draw up a scheme for the construction of a few type-design buildings every year and thus

Reduce recurring expenditure. There is the possibility of the Board getting a half grant from Government, if this expenditure on construction of buildings were to be incurred from its General funds, a portion of the Special grant now given for the promotion of expansion of Elementary Education, may also be utilised for this purpose with the specific sanction of Government.

Year.	Amount.
1935-40	30113-5-0
1940-41	29330-0-0
1941-42	28604-15-0
1942-43	28153-6-0
1943-44	27548-40-0

9. PAYMENT OF DEARNESS ALLOWANCE TO PART TIME SERVANTS.

Part time servants such as Artisans, sweepers, and watermen were also paid Dearness Allowance though they are not entitled to it. Such payments should not be paid in future. The following inadmissible payments already made should therefore be recovered or the specific sanction of Government obtained therefor.

(a) Kallavai Boys	11-5-0
(b) do Girls	11-0-0
(c) Kallavai Boys	11-0-0
(d) do Girls	11-0-0
(e) do Waterman	11-0-0

(f) Nanadapuram	Artisan-	6-0-0
(g) Kallavai	-do-	3-0-0
(h) Kallavai Boys	-do-	9-0-0
(i) Kallavai	-do-	9-0-0
(j) Kallavai	-do-	7-2-0
K. Demkinikotta Hindu Boys	do-	16-0-0
(k) do	do-	5-0-0
(m) Nagarasampatti	do	8-13-0
(n) Pappanapatti	do	9-45-0
(o) Selur	do	9-5-0
TOTAL		Rs. 138-3-0

(10) (a) REGISTER OF MISCELLANEOUS SALES:- On pages 40 to 43 of the "Register of Miscellaneous sales the Columns" "Date of Sale", "Date of Receipt of the sale proceeds" and "Date of remittance into the Treasury" were not filled in several cases. It was therefore not possible to see if all the sale proceeds due had been properly recovered and credited to accounts.

(b) The sales of articles in August and November 1942 relating to Board Elementary School, Dharmapuri for Rs. 6-10-0 and Rs. 10-2-0 were confirmed only in November 1943.

Leave Salary - Irregular Drawal
11. REGISTER OF MISCELLANEOUS SALES - ITEM 150 Akkarapatti Board School. Rs. 118-12-0 0
Rs. 11-8-0 1 File No. 1-1243-43.

Mr K. Voralawmy Ayyar, Assistant teacher Akkarapatti School, was on leave from 23-2-1941 and to 4-12-41 and during this period, he was transferred to the Board Elementary School at Koonavel Annapatti Padur where he joined on 5-12-41. The teacher worked on this school till vacation. He did not turn

up for duty subsequently and his whereabouts were not also known. His provident fund account was therefore closed and the Provident Fund balance was in December 1943. The leave salary due to him amounting to Rs. 130-4-0 was drawn on 'ouchers 3738 and 3739 of 12/43 and credited to 'other receipts' In the first place the drawal of leave salary

due up to December 41 two years afterwards in December

as an arrear claim which was not obtained. Further when the party's whereabouts were not known the ^{leave salary} ~~leave salary~~ should not have been drawn at all when it was refunded, it should have been treated as an ^{abatement of} ~~abatement of~~ expenditure, and amount credited under "other receipts".

12. INADVERTENT LEAVE SALARY. Voucher 4335.

Headmistress Kamalan Iyer was granted leave without allowances for the months of October and November 1943. Leave salary of Rs 26/- for the months of October and November ^{was} ~~was~~ however, drawn on half pay on 'oc' or 4335 and paid to her. ~~xxxxxx~~ This would be recovered.

13. PAYEE'S ACQUITTANCES NOT TAKEN ON THE GROSS AMOUNT.

It was noticed that the payee's acquittances had been taken only on the 'Net amount' disbursed. According to the correctness issued to the stamp Act with "U. No. 1619 dated 24-7-42, payee's acquittances ^{taken after gross amount & should be} ~~should be~~ stamped when the gross amount paid exceeds Rs. 20/-.

14. ARREAR CLAIMS - SANCTIONS WANTING. In the six cases detailed in 16 of the Annual Objection Statement, the sanction of the District Board and of the Director of Public Instruction was not obtained, for the investigation and payment of claims over one year old as required by G.O. No. Ms. 936 and dated 10-7-43.

15. THEFT OF ARTICLES IN ELEMENTARY SCHOOL LOSS - NOT

RECOVERED. The President, District Board Salem, in his letter no "oc. S. 4. 12323-43 dated 27-5-43 reported that the articles noted below were stolen away from the Board Higher Elementary school Necheri. The matter was reported to the police but was eventually ^{returned} ~~returned~~ as undetectable.

1. Two teak wood frame-ports valued Rs 6/- 2" x 3" x 7" each.

2. Six hinges 5" x 2 1/2" worth Rs. 9/-.

3. Cotton rope 30 yards long costing Rs. 0-3-0.

Out of the above three articles, only cotton rope missing ^{was} ~~was~~

measuring 30 yards ^{yards} was written off in "B.R. 11(41) dated 13-11-43 and the cost for the other two articles viz. Rs. 15/- was neither written off ^{not} ~~not~~ recovered.

16. RESULT OF AUDIT: The result of audit may be considered satisfactory.

17. RECEIPTS AND CHARGES. The gross receipts and charges of the year were Rs 7,30,368-2-9 and Rs 6,96,490-8-9 respectively.

18. OUTSTANDING OBJECTIONS. Ninety items of objections involving Rs 1735-3-0 were pending settlement at the close of audit. ^{indicated} ~~indicated~~ as detailed below and in the Annual Objection Statement.

Year.	No. of items	Amount.
1941-42	4	0-5-0
42-43	1	64-0-0
43-44	85	1673-14-0
Total	90	1738-19-0

T. K. SIVIVASAN,
Assistant Examiner of Local Fund Accts.,
Southern Circle, Salem.
P.T.O.

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AUDIT REPORT ON THE ELEMENTARY EDUCATION ACCOUNTS OF THE SALEM
DISTRICT BOARD FOR THE YEAR 1943-44 WITH REPLIES.

Encl to D.B.2.99(99).

Para 2 of the Audit Report:

The receipts and payments during the year are shown in the annual account appended, together with the opening and closing balance. The opening balance in the cash book is in agreement with the closing balance of the previous year. A single cash book was maintained for both Elementary Education and General Fund Accounts. The closing balance of the General and Elementary Education Funds, as per abstract attached to the account for March 1944 and is in agreement with the balance in the treasury pass book, after allowing for outstanding cheques and unrevitted Revenue in hand at the close of the year.

Reply to Para 2: No reply is necessary.

Para 3 of the Audit Report:

The more important irregularities are detailed below. Irregularities of a minor nature have been included in an annual objection statement which should be treated as part of this report.

Reply to para 3: The Annual objection statements was received received in this office on 1-3-45. It is being separately dealt with and reply will be furnished to the District Inspector within the time allowed.

Para 4 of the Audit Report: Financial Position:

In the budget proposed for 1943-44 the recurring charges exceeded the recurring receipts by Rs.46,570-0-0 and therefore the rate of Education Tax levied in the area of the District Board Salem, was directed to be raised from 9 pias to 11 pias in the rupee of land revenue, with effect from Fasli. 1353 vide paras 4 and 5 of G.O. 663-Sdn. dated 10-5-43) passing orders on the budget order for the year. With the additional income from the increased taxation and by avoiding capital expenditure, the total expenditure was kept within the receipt of the year.

Reply to para 4: No reply is necessary.

Para 5 of the Audit Report: Drawal of inadmissible Government Grant:

In G.O. No. 542-Sdn. dated 12-4-43, a grant of Rs.1,35,000-0-0 was sanctioned for the promotion and expansion of Elementary Education. In para 4 of this G.O. it was clearly laid down "these grants are intended to promote the expansion of Elementary Education and not to relieve the Board of the existing burden; not to enable them to avoid expenditure hereafter upon Elementary Education with which Government considers reasonable". Promotion and Expansion of Elementary Education would naturally mean (a) the opening of new school (b) the opening of new additional classes in the existing schools (c) the appointment of additional teachers (d) the construction of new buildings (e) provision of additional accommodation (f) the awarding of scholarships and the like. But in reply to the D.O. of the Director of Public Instruction dated 22-4-43, the President District Board recommended (i) the payment of Headmasters' allowance (ii) providing full time sweepers (iii) the sanctioning of special pay to teachers who happen to be in backward localities (iv) the conversion and promotion of lower elementary teachers posts into Higher Elementary one and the like. Both the Inspectress of Girls Schools Coimbatore and the Director of Public Instruction their letter dated 22-5-43 and 2nd June 1943 respectively, pointed out that the above proposals of the President District Board were not satisfactory. The Director of Public Instruction further added that the transformation of Lower Grade Posts into Higher Grade ones, are not proposals for which the money is intended. It was however noticed from the statement of expenditure enclosed to the President District Board's report to Government dated 5-11-44, that a grant of Rs.236-0-0 had been drawn for the conversion of Elementary Lower Grade posts into Higher grade ones. The grant needs to be refunded to Government as in Government memo No. 43291-A dated 4-10-44, the President was informed that no portion of the special subsidy should be utilised on the substitution of posts of Higher Elementary Grade trained teachers for posts of Lower Elementary Grade. It was further noticed that out of the total grant of Rs.1,35,000-0-0 and

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"FORWARDED to the President, District Board, Salem, in duplicate with the request that the report may kindly be returned within three months to the District Inspector of Local Fund Accounts, Salem with your reply in triplicate duly approved by the District Board for submission to Government."

TRUE CO. Y.

E. Marthanda

SUPERINTENDENT,
Office of the Examiner of Local Fund
Accounts, Kilpauk P.O. Madras.

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credited to this District Board a sum of Rs.51,240-0-0 only was spent during the year.

Reply to para 5: Proposals for utilising the special grant of Rs.1,35,000/- sanctioned in G.O. No.592-Edn. dated 12-4-43 were initiated by the District Educational Officer Salem. All his proposals were not adopted at the outset in toto by the Board as the objection would appear to indicate. His main proposals, the principles of which were agreed to by the Inspectress also so far as girls schools were concerned, were only taken up for consideration in the first instance and the approval of the Director of Public Instruction Madras sought for. This will be patent from this office letter No.11109-43-89 dated 9-8-43. The Director of Public Instruction Madras in his proceedings 284-NI-43 dated 6-9-43 and 21-9-43 readily agreed to all the proposals specified in this office letter No.11109-43-89 dated 9-8-43 excepting the proposal to convert the Elementary Lower Grade posts into Elementary Higher Grade ones. In regard to this simple proposal he did not desire to have further particulars and these were furnished in this office letter No.11109-43-89 dated 28-10-43. Orders of the Director of Public Instruction thereon disapproving the proposal to convert the Elementary Lower posts into Elementary Higher ones were passed in his proceedings 284-NI-43 dated 18-3-44 received in this office on 23-3-44 by which the official year 1943-44 was nearly over. In the mean time, the Government in their memo No.5873-A dated 1-3-44, called for a report as to how the grant of Rs.1,35,000-0-0 was utilised in 1943-44. In this office reply dated 6-4-44 submitted through the Director of Public Instruction Madras, details were furnished for the expenditure of Rs.52,170-0-0 including Rs.930-0-0 spent on the conversion of Elementary Lower posts into Elementary Higher ones in 1943-44, and the inevitable circumstances that led to the expenditure of Rs.52,170-0-0 alone was explained at length. With reference to the Director of Public Instruction's order dated 18-3-44 disapproving the debit of the cost of Rs.930-0-0 on the conversion of E.L. posts into E.H. ones representations were made to Government in this office letter No.1109-43-89 dated 29-3-44 to agree to the debit. The Government in their memo 45291-41 dated 4-10-44 informed that no portion of the grant should be utilised for the conversion of E.L. Posts into E.H. ones. The instructions of the Government and the Director of Public Instruction were duly followed in 1944-45, and no portion of grant was utilised in that year for the disapproved purpose. So far as 1943-44 was concerned the sum of Rs.930-0-0 the question was not drawn from Government separately as a distinct item of grant as pointed out in the objection and the Government to whom the expenditure in question was reported to have not ordered refund of the amount. Thus the question of refund of Rs.930-0-0 to Government does not arise. In this connection it will have to be remembered that it is only a recurring annual subsidy but not a special subsidy to be paid on the actual expenditure therefrom. In the last part of the objection it is pointed out that only a sum of Rs.51,240-0-0 was spent in 1943-44 against the grant of Rs.1,35,000-0-0 realised in that year. The sum of Rs.51,240-0-0 adopted as expenditure excludes the sum of Rs.930-0-0 spent for the conversion of Elementary Lower posts into Elementary Higher Grade posts during 1943-44.

Para 6 of Audit Report: Expenditure on schools not recognised:

According to the provisions of the Elementary Education Act and the rules made thereunder no expenditure may be incurred on schools not recognised. It was however noticed that expenditure had been incurred on schools not recognised by the competent authority as indicated below:—

	Amount of expenditure.	Remarks.
Ramanathapuram Taluk.		
1. Laddivadi Boys School.	23-8-0	
2. Pavithram Boys school.	27-0-0	
3. Vengarai. do.		School opened towards the end of March 44 and expenditure incurred in 44-45.
II. Tiruchengode Taluk.		
a. Chinnamanali.	21-0-0	
III. Attur Taluk.		
f. Ramanathakumpalayam.	21-5-0	
g. Thandrayapuram.	15-0-0	
IV. Nagercoil Taluk.		
h. Parakkal.		

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The above expenditure as well as expenditure that may be incurred hereafter on the schools is surchargeable unless recognition is obtained.

Reply to para 6: The District Educational Officer Salem has since accorded recognition to all these schools. Copies of his orders are enclosed.

Para 7 of audit Report: Expenditure in excess of the Budget provisions:--

In the following cases expenditure was incurred in excess of the provision in the sanctioned budget. The total expenditure also exceeded the provision in the budget. Sanction of the competent authority as required by G.O. 129 Education dated 29-1-42 was not also obtained for the reappropriations made.

	Expenditure.	Budget provision.	Sanction necessary for excess.
1. Staff-Salaries and allowances of Masters.	5,86,716-3-0	5,51,900	Dt. Bd.
2. Contribution to Provident Fund.	25,884-0-0	25,000	"
3. Travelling Allowance.	1,159-4-0	1,000.	"
4. Total under 1 Staff.	6,23,398-8-0	5,89,400.	D.P.I.
5. Contingencies and other items.	30,284-10-4	30,000.	Dt. Board.
6. Total Expenditure.	6,56,480-8-9	6,21,561.	Government.

Reply to para 7: As per original budget for 1943-44, the total provision was Rs. 6,21,561-0-0 over and above this, an additional allotment of Rs. 25,000-0-0 was sanctioned by Government as per G.O. No. 750-33a dated 15-5-44. Thus the total provision for 1943-44 in the Budget approved by Government was Rs. 6,46,561-0-0. Against this a total expenditure of Rs. 6,56,480-8-9 only was incurred in 1943-44. As the expenditure is within the Budget allotment for the year the sanction of Government is not required as pointed out herein.

(2) The expenditure under the head "contribution to Provident Fund Bonus" does not also require Board's sanction. For in addition to the original provision of Rs. 25,000-0-0 a further provision of Rs. 1,000-0-0 was made by necessary reappropriation of funds as per District Board Resolution No. 21(436) dated 13-11-43. Out of this total provision of Rs. 26,000-0-0 the expenditure incurred is only Rs. 25,884-0-0 under "Salaries and Allowances of Masters," the total provision as revised with reference to G.O. No. 750-33a dated 15-5-44 and District Board Resolution No. 21(436) dated 13-11-43 mentioned above is Rs. 6,53,900-0-0 and the corresponding expenditure of Rs. 58,716-3-0. Requisite sanction of the Board is since obtained as per District Board Resolution No. 115(593) dated 19-3-45. Copies of District Board Resolution 21(436) dated 13-11-43 and District Board Resolution No. 115(593) dated 19-3-45 are enclosed.

For the excess expenditure of Rs. 160-0-0 under "Travelling Allowance" and of Rs. 285-0-0 under contingencies and other items" the Director of Public Instruction Madras has been addressed to accord necessary sanction in this office letter Rec. L. 9.4256-45 dated 1-4-45. The Local Body is competent to sanction re-appropriation from one sub-head to another. The sanction of the Director of Public Instruction (who has been addressed) will be sufficient for the reappropriation from one main head to another. There is however no case of expenditure being incurred in excess of the total provision in the Budget, requiring Government sanction.

xxx For the excess expenditure of Rs 2816-3-0.

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(m) Nagarasampatti	...	Artisan	8 12 0
(n) Paparapatti Hindu boys school	"	"	9 15 0
(o) Belur	"	"	9 5 0
			138 3 0

Reply to para 9. The sweeper of the Tiruchengode Hindu boys school is a full time servant and dearness allowance is therefore being continued to be paid to him as permitted under the rules. As regards the other cases of part-time servants the payment of dearness allowance up to November 1943 has been condoned by Government in their memo 13306-A-45-1-2dn dated 12-4-45 (copy enclosed). The objection may therefore be dropped.

Para 10 of Audit Report - Register of Miscellaneous Sales.

(a) On pages 40 to 48 of the Register of Miscellaneous sales the columns "date of sale", "date of receipt of the sale proceeds and date of remittance into the treasury" were not filled in several cases. It was therefore not possible to see if all the sale proceeds due had been properly recovered and credited to accounts.

(b) The sales of articles in August and November 1942 for Rs.6-10-0 relating to Board elementary school Dharmapuri and Rs.10-2-0 were confirmed only in November 1943.

Replies to para 10-a The instructions are noted.

Replies to para 10-b. The Headmaster Board H.E. school Dharmapuri who remitted the sale proceeds into the treasury in August 1942 and November 1942 after he conducted the sales did not make any report to this office about the sales. At the time of compiling the accounts for 1942-43 the omissions were noticed and necessary particulars were called for from the Headmaster in this office memo 23/23511-43 dated 4-10-43. On receipt of particulars sales were confirmed in November 1943.

Para 11 of Audit Report - Register of Miscellaneous sales. Item 150-Akkarapatti Board school Rs.115-12-0 File D.Dis. 11-8-40 1243-43.

Sri K. Doraisami Ayer Assistant teacher Akkarapatti school was on leave from 28-2-41 to 4-12-41 and during this period he was transferred to the Board elementary school at Koonavelampatti udur where he joined on 5-12-41. The teacher worked on this school till the closure of the school on 23-12-41 for the Christmas vacation. He did not turn up for duty subsequently and his whereabouts were not also known. His Provident Fund account was therefore closed and the provident fund balance was transferred to deposits in December 1943. The leave salary due to him amounting to Rs.130-4-0 was drawn on vouchers 3738 and 3739 of 12/43 and credited to other receipts. In the first place the drawal of leave salary due up to December 1941 two years afterwards in December 1943 requires sanction of the Director of Public Instruction as an arrear claim which was not obtained. Further when the party's whereabouts were not known the leave salary should not have been drawn at all. When it was refunded, it should have been treated as an abatement of expenditure and amount credited under other receipts"

Replies to para 11. The last part of the objection is not clear. Apparently what is meant is that the amounts adjusted in Vr.No.3738 and 3739 of December 1943 should not have been credited under "other receipts" as done by this office; but should have been shown as an abatement of expenditure i.e. as cash recovery. The claim of Rs.130-4-0 in question relates to the year 1941-42 and if it is shown as an abatement of expenditure in 1943-44 it may lead to excess expenditure indirectly over the sanctioned allotment under "Salaries of masters for 1943-44 by an amount equal to the claim. Hence, the course adopted by this office is in order and is also in conformity with the audit instructions previously issued in similar cases of recovery.

Secondly, objection is taken to the leave salary drawn and adjusted when the whereabouts of the teacher was not known. The teacher while on leave did not make a request not to recover subscription for Provident Fund from his leave allowance exercising the choice vested in him under the P.F.

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Provident Fund rules. So, the recovery of subscription up to the last date of termination of his services was quite necessary before the closure of his Provident Fund account can be thought of. Hence the supplemental bill was called for and necessary recovery of P.F. subscriptions was made therefrom and the balance adjusted to the Elementary Education Funds of this Board. The course adopted was inevitable and does not appear to be out of order.

As explained above, the leave allowance in question was not paid to the party at all; but only paid by book adjustment with the sole object of closing the P.F. Account. The rules on arrears claim will not apply to a case of recovery of this kind as pointed out in audit as the requisite sanction will necessarily be applied for when the absconding teacher prefers a claim for his leave salary yet to be paid to him.

Para 12 of Audit Report - Inadmissible leave salary. Voucher 4335.

Head-mistress Kamalam Arora was granted leave without allowances for the month of October and November 1943. Leave salary of Rs.26/- for the month of October and November 1943 was however drawn on half pay on Voucher 4335 and paid to her. This should be recovered.

Reply to para 12. The amount of Rs.26/- has been recovered and adjusted in Voucher No.4390/March 1945 to Elementary Education Funds.

Para 13 of Audit Report - Payees' acquittances not taken on the gross amount.

It was noticed that the payees' acquittances had been taken only on the 'net amount' disbursed. According to the corrections issued to the Stamp Act with G.O.No.1319 dated 24-7-1943, payees' acquittances should be taken on the gross amount and should be stamped when the gross amount paid exceeds Rs.20/-

Reply to para 13. An objection was raised for the first time inviting attention to G.O.No.1319 dated 24-7-1943 in the monthly objection statement for November 1943 received in this office on 1-2-44. As the official year 1943-44 was shortly expiring and as the subordinate institutions had to be circularised before the instructions should be brought into force, the District Inspector of P.F. Accounts Salem was addressed to state in this office letter G.O.No.39/4735-44 dated 31-3-44 whether he agreed that the system of obtaining acquittance for the gross amount of salary may be brought into force from 1-4-44. He replied in his endorsement No.117.41 dated 8-11-44 that the Government Order in question may be given effect to from 1-4-44. Accordingly it is being followed from 1-4-44 after circularising instructions under this Board. After having consented to the adoption of the G.O. from 1944-45 and noticed its observance the need for raising this objection for non-adoption in 1943-44 is not apparent.

Para 14 of the Audit Report - Arrear claims - sanction wanting. In the six cases detailed in item 1 of the annual objection statement, the sanction of the District Board and the Director of Public Instruction was not obtained, for the investigation and payment of claims over one year old as required by G.O.No.255-Sdn dated 10-7-1943. W-1-1-1

Reply to para 14. Necessary sanction of the Board will be obtained at the next meeting of this Board to be held in May 1945 and then the requisite sanction of the Director of Public Instruction Madras obtained for the investigation of the arrear claims except that relating to S. Mathewai. Though her increment was due on 1-9-41, it could not be sanctioned as charges framed against her were pending disposal. After the disposal of the charges on 31-12-43 the increment was sanctioned and is within six months from 31-12-1943.

Para 15 of the Audit Report - Theft of articles in elementary school - Loss not recovered. The President District Board Salem, in his letter No. 300. 34/1943-44 dated 27-3-43 reported that the articles noted below were stolen away from the Board Higher elementary school Yechari. The matter was reported to the Police but eventually returned as untraceable.

1. Two teak wood frame posts valued Rs. 6/- 3" x 3" x 7" each.
2. Six hinges 5" x 2 1/2" worth Rs. 9/-
3. Cotton rope 30 yards long costing Rs. 3-3-0.

Out of the above articles only cotton rope measuring 30 yards was written off in D.B. Resolution No. 11 (41) dated 13-11-43 and the cost for the other two articles viz., Rs. 15/- was neither written off nor recovered.

Reply to para 15. The sanction of the standing committee for Education will be obtained at its next meeting to be held in May 1945 and communicated.

Para 16 of the Audit Report - Result of audit. The result of audit may be considered satisfactory.

Reply to para 16. No reply is necessary.

Para 17 of the Audit Report. Receipts and charges. The gross receipts and charges of the year were Rs. 7,50,363-3-9 and Rs. 3,26,430-3-9 respectively.

Reply to para 17. No reply is necessary.

Para 18 of the Audit Report - Outstanding objections. 99 (Ninety) items of objections involving Rs. 1,733-3-0 were pending settlement at the close of audit as indicated below and in the annual objection statement.

Year.	No of items.	Amount.
1941-42	4	0 5 0
1942-43	1	64 0 0
1943-44	35	1673 14 0
		1733 3 0

Reply to para 18. Action has been taken on each of these objections and final replies will be furnished to the District Inspector of Local Fund Accounts Salem along with the annual objection statement.

By/- K. A. Nachiappa Gounder
President, D.B. Salem.

(True copy)

53/0-5-45

[Signature]
8/5
Superintendent.

[Signature]
8/5

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Extract from the proceedings of the meeting of the Salem District Board held at Salem on 18th May 1945.

P r e s e n t

X X X
Audit report - Elementary Education Funds - Accounts - Salem District Board - 1-4-1943 to 31-3-44 - Placed before the Board with replies Approval requested.

99(99) Note of the President placing before the Board, the audit report on the Elementary Education Fund Account of the Salem District Board for the year 1943-44 with replies for approval.

Note. The report with replies will follow. The report was received on 10-2-45. Necessary replies have been prepared. Advance copy of the replies has been sent up to the District Inspector of Local Fund Accounts Salem to save delay. The replies may be approved.

D.B.RESOLUTION. Replies approved.

Sd/-K.A.Nachiappa Gounder
President.

(True extract)

Salem District Board office,
Dated 22nd May 1945.

M. J. S. N. P. L.
Superintendent
g. b. h. n.

AUDIT REPORT - Salem District Board - Elementary Education Funds
1943-44. EXAMINER'S OFFICE: 13
31090

Forwarded to the Secretary to Government, Education and Public Health Department, with copies of the President's replies and the resolution of the District Board.

2. PARAGRAPH 7 OF THE AUDIT REPORT: The orders passed by Government on the budget estimate for the year 1944-45 cannot be taken as a sanction for the excess expenditure incurred in 1943-44. As expenditure was actually incurred in excess of the total provision in the approved budget, the sanction of Government is necessary for the excess expenditure.

3. PARAGRAPH 11 OF THE AUDIT REPORT: The objection in the including sentence of the paragraph was that the refund should have been treated as an abatement of expenditure and NOT credited under other receipts. The last portion of the sentence "AND AMOUNT CREDITED UNDER OTHER RECEIPTS" was an error in fair copy. The statement of the President, District Board that the procedure followed was in accordance with the audit instructions previously issued and that the course suggested in the paragraph would have led to excess expenditure are not correct. As the amount was charged to the head "Salaries and Allowances--Masters" in the same year, the refund should have been shown as an abatement of expenditure. Further, the teacher had not specifically exercised his option to subscribe during leave, provident fund subscription is not deductible from his leave salary and consequently the leave salary should not have been drawn at all.

4. PARAGRAPH 13 OF THE AUDIT REPORT: As the irregularity nevertheless existed so far as 1943-44 was concerned, it was included in the audit report.

J. K. Srinivasan
Assistant Examiner of L.F. Accounts.

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39
16/7

1068 Edn. dated 17.7.45
Recorded.

2. Para 7 of the audit report
Excess expenditure over the sanctioned expenditure
The excess expenditure in question
is ratified.

3. Para 11 of the report - drawing of
leave salary for a period

A copy of the remark of the
Examiner of Local Fund Account is forwarded
to the Controller of Accounts for information
& guidance.

14.7.45

Indis. Acct - 1945-46
Elementary Ed. Fund -
W. O. Salem -
Revised

Depd
with
14.7.45

W. O. Salem with 14.7.45
the Ex. Acct
on 14.7.45

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