

National Library and Documentation Services Board - 2022

The audit of the operations of the National Library and Documentation Services Board for the year ended 31 December 2022 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 and read in conjunction with the National Audit Act No. 19 of 2018, section 13(1) of the Finance Act No. 38 of 1971 and Section 22 of the National Library and Documentation Services Board Act No. 51 of 1998. The financial statements for the year 2022 required to be submitted in terms of Section 13(6) of the Finance Act had not been submitted by the date of this report. My observations regarding the performance of the Board during the year under review only which I consider should be report to Parliament appear in this report in terms of the article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

2. Financial Statements

2.1 Presentation of Financial Statements for Audit

Audit Observation	Comment of management	Recommendation
Even though the financial statements and draft annual report should be submitted to the Auditor General within 60 days of the end of the financial year as per the Public Enterprise Circular No. 01/2021 dated 16 November 2021, the financial statements for the year under review had not been submitted for audit even by 17 July 2023.	After the problematic situation, expected that the delayed financial reports can be submitted by the end of the first quarter of the year 2024 and thereafter daily transactions can be kept up to date.	Urgent action should be taken to submit the financial statements by due date.

2.2 Non-compliance with Laws, Rules, Regulations and Management Decisions etc.

Reference to Laws, Rules Regulations etc.	Non-compliance	Comment of the Management	Recommendation
(a) Financial Regulations of the Democratic Socialist Republic of Sri Lanka -----			
(i) Financial Regulations 102 to 110	Action had not been taken as per the provisions of the financial regulations regarding the misplacement of 35 books belongs to the	If these 35 misplaced books cannot be found in the next re-organization activities, it will be dealt with according to the provisions of the	should be dealt with according to the financial regulations.

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| | Martin
Wickramasinghe
Collection
established in the
National Library
documentation pool, | Financial Regulations. | |
| (ii) Financial
Regulations 756 and
757 | Books costed for
Rs.115,032,640
procured as at 31
December 2022 and
Conserved
Documentary
Resources of the
National Library
had not been
surveyed even
during the year
under review. | An internal plan has
been prepared to survey
the Conserved
Documentation
Resources of the
National Library in
phases from the year
2023, and accordingly
the survey activities are
being carried out. | Board of survey
should be done as
per the financial
regulations. |
| (b) Department of
External Resources
Circular No.
SC&PMU/Grant/20
dated 14 August
2020 | Foreign Grants of
Rs.43,596,398 in
relation to 03
projects had directly
received by the
Board from the year
2020 to 15 July
2023 without
knowledge and
consent of the
Department of
External Resources.
Further, the
permanent staff of
the Board had been
employed for
project works
during the duty
period without the
approval of the
Treasury and
allowances of
Rs.2,513,960 and
Rs.19,471,740 were
paid for the year
under review and
for the period from
01 January 2023 to | According to the
instructions of the Board
of Directors, although
the Department of
External Resources was
informed about the
Skills Online Sri Lanka
project and the public
library automation
project in the years 2021
and 2022 respectively,
no reply had been
received.
That the relevant
payments have been
made as per the approval
of the Board of Directors
after receiving the
recommendations of the
National Planning
Department for the
video preparation project
of the Television
Documentary Program
on Preservation of
Intangible Cultural
Heritage. | Circular
provisions should
be complied. |

15 July 2023
respectively.

- (c) Treasury Circular No. 842 dated 19 December 1978
- An updated fixed asset register had not been maintained in respect of property, plant and equipment costing for Rs.383,231,029 as on 31 December 2022
- That the procurement of fixed assets in the years 2021 and 2022 had been included in the fixed assets register.
- Arrangements should be made to maintain an updated fixed asset register.
- (d) The National Library and Documentation Services Board Act No. 51 of 1998
- (i) Section 12(2) (a) and (b)
- (i) When entering the items to the national reserve of library and documentation resources to the new library information management system in year 2015, 330,228 items had not been entered and some of the data of certain items entered were also incorrect. As such, the readers had lost the opportunity of referring resources. Even though the referring numbers were allocated assuming that there were 01 million of items
- Due to the shortage of staff, there are issues in continuing this work. Action had been taken to start KOHA library management software introduced in the year 2016 from 1,000,000 onwards.
- The national pool of library and documentation resources should be formally established and maintained in a proper and efficient manner.

available until year 2015, according to the data presented, only 503,532 items were available, Because of the said assumption, 496,468 redundant numbers had not been disclosed in the referring register.

- (ii) 29,579 units, 9,210 and 4,743 units identified to be accomplished were remained in hand respectively in the divisions of conservation and restoration, retrieval and Bibliographic and Administration which responsible were delegated for creating of a national pool of library and documentation resources, the establishment, improvement, maintenance and conservation of local and foreign documentation materials.
- Shortage of staff had been a reason for delaying the preservation of above collections.
- According to the Act, the duties assigned to the Board should be performed efficiently.

(ii) section 12(2) The period for Information about According to the
 (g) publication of the bibliographic issues Act, the duties
 bibliography was expected to be published assigned to the
 not fixed and the in the year 2023 has Board should be
 bibliographies had been published in the performed
 not been published annual plan. efficiently.
 from the month of Accordingly, it is
 October 2022 to 14 planned to complete the
 July 2023. issues until the August
 2023 by December
 2023.

3. Operational Review
3.1 Management Inefficiencies

Audit Observation	Comment of the management	Recommendation
(a) A sum of Rs.49,680 was paid for the servicing of a printer in the years 2021 and 2022, which was not in use, but no servicing was done.	Since this machine has not been serviced, actions are being taken to recover the amount paid for the service contract from the relevant service company.	Action should be taken to recover the amount paid.
(b) A Memorandum of Understanding was entered into to rent out a part of the building where the Documentary Resource Pool was located to an external organization. As per the Section 21 of the MOU, since the National Library Documentary Pool contains priceless and very rare books (Puskola poth) / old and new documentary resources, in case of an emergency fire, a mechanism should be put in place to fight it and the property and employees of the board should be insured, but it was not done accordingly.	The necessary action had been taken to implement the relevant insurance arrangements with the signing of contracts.	Management attention should be focused on ensuring the security of the documentation resource pool is carried out responsibly.
(c) Although a budget for the year under review was not included in the action plan to re-establish the Martin Wickramasinghe collection, contrary to the provisions of the procurement guidelines, on a	The provision of the Board had not been allocated for this in the year 2022. But since it is a government institution, even in a situation where there is no provision, these	The National Procurement Guidelines should be complied.

request made by the chairman of the board, 29 units of timber products worth of Rs.3,818,805 were ordered from the State Timber Corporation on 08 April 2022. An advance of Rs. 200,000 was paid for it on 25 October 2022, and the goods were received by the board in January 2023.

items were ordered from the State Timber Corporation and after the receiving of approval of the provision for the year 2023, arrangements were made to bring the relevant finished products.

3.2 Contract Administration

Audit Observation	Comment of management	Recommendation
<p>The Ministry of Education had entered into an agreement with a contracts company for a tax-free contract amount of Rs.211,937,795 to complete the renovation of the main building within a period of 24 months from 09 January 2018. An amount of Rs.252,463,612 had been paid to the company by the end of 2020 and the contract period had been extended in 03 occasions. However, the contract was stopped midway in March 2021. Even though 18 main points and incomplete works and works which were not done as specified had been identified from the ground floor to the fourth floor in the Chairman's letter No. 15-02-07 dated 05 January 2022, those deficiencies had not been completed even by 17 July 2023.</p>	<p>The renovating work was stopped midway in the year 2021 due to lack of funds. At present, a cabinet paper has been prepared and submitted to obtain the necessary provisions. The balance works had been given to the State Engineering Corporation, but as the institution is currently being restructured, it has been recommended to select a suitable company by calling for quotations in the market.</p>	<p>The renovation work should be completed promptly in accordance with the Government Procurement Guidelines.</p>

3.3 Operation Inefficiencies

Audit Observation	Comment of the Management	Recommendation
<p>(a) The usernames and passwords of 10 main computer software systems, including the subsystems of the divisions of the board, were kept under custody in the safe on 13 February 2020, but even though 39 months had passed since that date, the usernames</p>	<p>That the usernames and passwords of the computer information systems of the board will be updated and kept in the safe of the Information Technology department, and its duplicate keys will be used by the Director General and the Assistant Director of the</p>	<p>To minimize the risk of keeping user names and passwords of the board under one officer, arrangement should be taken to update and keep in a safe.</p>

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| and passwords were not stored in the safe to be updated. | Information Technology | department. |
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- (b) In order to maintain the humidity in the national library documentation resource pool, the air conditioning system should be maintained continuously for 24 hours, but due to the increase in electricity tariff, the air conditioning system had been turned off for 17 hours in weekdays and 24 hours in weekends and holidays, as such, it was not possible to maintain the conservation works of the documentation resource pool in optimal level.
- At present, the air conditioning system operates only during the duty hours as the electricity bill increases. Therefore, provision should be made to pay the electricity bill incurred in operating the air conditioning system 24 hours a day.
- A formal program should be introduced to maintain the preservation function of the documentary resource pool at optimum level.
- (c) Due to the removal of the laboratory with the equipment costed for Rs.3,660,547 which was under the Conservation and Restoration Division, functions of it had been stopped from the year 2018 until 18 July 2023. The work of decayed book processing (tissue) performed in the laboratory for a period of 05 years was not done sufficiently.
- The document conservator working in the department brings some necessary equipment to the binding hall and engages in chemical preservation activities from the year 2018. The Temperature Humidity Control Unit and Leaf Casting Machine, which were temporarily kept on the first floor, were brought to the Book binding hall. That the maintenance department is working to service this equipment.
- Since a laboratory is essential for book preservation activities, a proper program should be introduced to carry out the laboratory activities.
- (b) According to a specific future plan, a treatment plan to be applied to the documentation resources identified according to the accession numbers during the field daily inspection of the documentation resources is prepared and according to the plan, the data on the conservation and restoration remedies applied to the
- Due to shortages in the staff the conservation remedies and binding activities are carried out only in selected collections on a priority basis. But the relevant data is not entered into a computer system. The matter will be referred to the Conservation Advisory Committee and a database will be established.
- According to the document resource treatment plan (Treatment plan), the data about the conservation and restoration remedies (Diagnosis card) applied to the document resources should be entered into a computer information register according to the access number and the

documentation resources
(Diagnosis card) according to
the accession number
Computer information had not
been entered into a register to
confirm the adequacy of
conservation and restoration
measures.

progress of conservation
and restoration remedies
should be kept up-to-date.