12.1 Examination Fees - Rs 57.5 million

The Social Aid regulations provided for payment of examination fees in respect of needy students as follows:

- Full payment where family income did not exceed Rs 7,500 per month; or
- Fifty per cent payment in respect of each child whose average family income was less than Rs 10,000 provided that there were more than one child sitting for the examinations.

Applications for the above were made at the local offices. These were recorded on a computerised system and a file for each applicant kept for processing purposes. Letter of awards were thereafter issued in respect of successful applicants for submission to respective schools to allow registration for the examinations and for subsequent forwarding to the institution responsible for the conduct of examinations locally. Examination fees were thereafter settled to that institution by the Ministry of Social Security (MSS) in lump sum payments.

For the year ending 30 June 2009, some Rs 57.5 million were disbursed by the MSS in terms of examination fees and other expenses. Lump sum payments totalling Rs 54.2 million were paid to the above institution in May and June 2009 for the October-November 2009 examinations on the basis of lists generated by the computerised system. For the October-November 2008 examinations, a late payment of Rs 927,816 was made in November 2008 in respect of sixty-four students but on basis of a list prepared on an ‘excel sheet’.

The following were noted:

- Apart from a circular regarding eligibility and registration of applications issued by the Commissioner, Social Security to the Technical Staff on 29 November 2007, a formal procedure regarding processing and recording was not seen issued. Notes inserted in applicant files did not provide for systematic follow up and control to confirm validity of claims. An application form was not specifically designed to meet processing needs and to confirm that every step has been taken to determine eligibility of applicants for the examination fees. The computer lists of needy students were also not referred to the local offices for their confirmation of the correctness of names and other information therein prior to payments. The late payment effected on basis of an ‘excel sheet’ showed that a uniform system was not being used for processing, recording and payment though an amount of Rs 152,145 was paid by the MSS to enhance the computerized processing system. In the absence of a formal procedure, it was not possible to confirm whether disbursements have been made in respect of needy students only as stipulated by regulations.
Payments were also made in respect of second examination sittings though there were no provisions in the regulations for same.

In certain cases, the students, for whom examination fees were paid by the MSS, did not sit for the examinations. No ‘Return’ was seen requested by the MSS from the above institution in respect of needy students whose examination fees have been settled by the MSS, for control and monitoring purposes. This would have enabled the MSS to confirm the participation of these students in the examinations and to seek refunds in respect of those not taking part in the examinations or sitting for lesser number of subjects paid for.

The above disbursement also included a sum of Rs 1.7 million paid as overtime in June 2009 for the processing of applications, though the exercise regarding application for payment of examination fees for the October-November 2009 examinations was initiated since December 2008.

**Recommendations**

There was need for:

- The setting up of formal procedures and especially designed application form relating to processing of applications to allow control over the awarding process and validity of payments;

- Liaison with the above institution by the MSS to obtain the necessary Returns and other information for monitoring purposes and to facilitate refunds to the MSS in cases students failed to sit for the examinations or took lesser number of subjects paid for; and

- Proper planning to avoid payment of overtime

**Ministry’s Reply**

- There is no limit for number of examination sittings.

- Overtime work is resorted to avoid delay in processing of claims.