

# Education bosses faulted over funds diversion

By Moses Mulondo

Parliament's public accounts committee (PAC) has faulted education ministry technocrats over the diversion of sh1.4b for the 2015/2016 financial year, to activities that had not been budgeted for.

PAC chairperson Angelina Osege noted that for the three financial years scrutinised so far, the education ministry's top officials have continued mischarging (diverting) funds, yet it is against the law and the ministry has been for three consecutive years getting a qualified opinion from the Auditor General, which means failure to account for some funds.

The illegal act of mischarging funds without authorisation, is part of the audit queries contained in the Auditor General's (AG) report for the 2015/2016 financial year.

Masaka Municipality MP Mathias Mpuuga, who was acting as one of the lead

## ON THE GROUND

**The education ministry team was also questioned over the ministry's continued sh2.9b expenditure on renting office space annually, instead of constructing a building for the ministry.**

counsels for the committee, stated that what makes the mischarge more unjustifiable is the fact that money was spent on items, such as paying salaries, facilitating travels and paying consultants, which are not of an unforeseeable nature.

The education ministry team was led by the current permanent secretary, Alex Kakooza and Rose Nassali (Judicial Service Commission permanent secretary), who was the permanent secretary of the ministry at the time the irregularities occurred.

Kakooza apologised on behalf of the ministry over the mischarge. He, however, told the committee that

as long as the Ministry of Finance continues releasing to ministries less than what is budgeted for, mischarges would be inevitable.

Koboko North MP Elias Asiku quickly rejected that argument, reasoning that getting less than what they allocated does not warrant mischarging public funds without seeking authorisation as the Public Finance Management Act requires.

The committee further faulted the team over sh251m, which was spent in the same year, but could not be accounted for.

Kakooza explained that although at the time of

auditing accountability could not be given, they now have the accountability reports for the sh251m.

Osege, however, countered that by arguing that as long as the ministry failed to account for the money within the period they were required to have done, so the committee considers them culpable.

The AG's report also faulted the ministry for committing government into contracting a private firm to construct roads before it could secure funds for the projects, which resulted in what the auditors categorised as a wasteful expenditure of interest payment amounting to sh3.2b.

The team was also questioned over sh2.1b given to public universities, which could not be accounted for and why the ministry has continued to spend sh2.9b annually on renting office space, instead of constructing their own building.

PAC further grilled the

education ministry officials for not being aggressive in compelling the Microfinance Support Centre (MSC) to transfer the sh7.6b for the teachers' Savings and Credit Co-operatives Society (SACCOS).

In August 2015, the Government changed the policy from channelling the money for the teachers' SACCOS through the MSC to the Ministry of Education, but two years down the road the former is yet to transfer the sh7.6b it was supposed to remit.

Kakooza showed the committee a letter dated May 2017 from the finance ministry where the Secretary to the Treasury was reminding the MSC to transfer the teachers' money that had been given to them to the Ministry of Education.

The committee resolved it would soon summon officials from the MSC to explain what they termed as 'impunity'.

New Section7

01010202 0001