

08/06/2000

Errant financial officers warned

Hamidah Atan

MALACCA, Wed. - Chief Minister Datuk Wira Mohd Ali Mohd Rustam today warned financial officers in State government departments and agencies of transfers or disciplinary action if they did not perform well.

His warning came in the light of the Auditor-General's 1998 audit report on Malacca which highlighted numerous weaknesses and irregularities in the departments and agencies which resulted in "losses" of about RM58 million.

Mohd Ali said he would ask heads of departments to act against such officers if they still failed to improve on book-keeping.

Similar action would also be taken against department heads who failed to do so.

The 1998 report, among others, stated that State deposits amounting to RM34.58 million could not be verified due to missing balance sheets.

It also said RM16.54 million of investments by the State could not be verified due to the same reason.

A total of RM2.6 million worth of treasury cheques, which had been cancelled, could not be verified because the individual balances were not submitted.

Five departments were found to have spent beyond their budgets while the Works Department transferred RM3.9 million from four projects without following proper procedures.

Among the departments mentioned in the report were the three district offices, the State Forestry, State Treasury, Works Departments and the Chief Minister's Office.

Mohd Ali said most of the financial officers would have to undergo re-training on accounting and book-keeping in order to shape up.

"If they still fail to prepare correct and complete financial statements after the re-training, definitely action will be taken against them.

"We do not want officers who are careless, inefficient and complacent to look after the State's finance."

Mohd Ali added that an internal investigation by the State Government showed that "carelessness and complacency" on the part of the officers had resulted in the weaknesses pointed out in the report.

However, the Anti-Corruption Agency, he said, was welcomed to conduct a probe on the matter.

ACA deputy director-general (Operations) Datuk Ahmad Said Hamdan had said that the agency had begun investigating the allegedly missing funds soon after the Auditor-General highlighted them in his latest annual report.

Prime Minister Datuk Seri Dr Mahathir Mohamad had said States should re-train their financial officers and staff periodically to master book-keeping methods for updating government accounts.

Despite the Federal Government repeatedly reminding State Governments on poor book-keeping, the problem persisted, he had said.

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