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**13.1 School Net II Project**

In 2013, Government decided that the Ministry of Education and Human Resources,Tertiary Education and Scientific Research (MOE) would distribute tablets to Form IV students and the Ministry of Technology, Communication and Innovation (MTCI) would implement the School Net II Project to provide high speed connectivity to all Secondary Schools with the Government Online Centre (GOC). In July 2014, the MOE distributed 26,100 PC Tablets, that were acquired for Rs 135 million, to Form V Students and Educators.

A contract for the School Net II project was signed between the Ministry and a Company on 24 December 2015 for Rs 122.5 million. The contract sum comprised the cost of equipment, amounting to Rs 88.5 million for a total of 162 sites, and a rental cost of telecommunication lines for two years amounting to Rs 34.0 million. Payments for equipment up to May 2017 totalled Rs 36.3 million.

In February 2017, a request was made by the Company for the Ministry to review the payment terms, which would ease its cash flow and financial situation. Subsequently, in June 2017, an addendum to the contract was made. The addendum made provisions for the following:

* Payment to be effected to the Company so as to enable it to pay for the spectrum license fees, and to enable the commissioning of the system to be completed within a period of five months as from the signing of the addendum to the contract ;
* In case of failure on the part of the Company to fulfil its obligations, liquidated damages of one per cent of the contract value would be payable per week, subject to a maximum of ten per cent.

***Observations***

* Following the addendum, payment of Rs 45.4 million was effected for Phases 2 and 3 in June 2017, that is prior to full commissioning. This is contrary to established financial procedures;
* According to the commissioning reports from the Central Information Systems Division issued in September 2016, December 2016 and March 2017 for Phases 1, 2 and 3 respectively, telecommunication tests failed at 100 sites out of a total of   
  162 sites, that is, some 62 per cent of the sites were not successfully commissioned as of December 2017, although some 90 per cent of the cost of equipment under the contract had already been disbursed as of 30 June 2017;
* There was still no Memorandum of Understanding (MOU) signed between the MOE and the MTCI.

***Ministry’s Reply***

The Commissioning of School Net II has been scheduled for end of February 2018.

A MOU would be signed with the MOE to clearly define the responsibilities and roles of MTCI and the MOE under the School Net II Project.

As regards the liquidated damages, the Ministry has already issued a letter on 10 January 2018 to the Company informing it that as from 15 November 2017, liquidated damages at a rate of one per cent of the contract value which amounts to Rs 1,224,580 per week shall be applicable up to a maximum of 10 per cent of the contract value.

**13.2 Rental charges for School Net II- Rs1.9 million**

At paragraph 8.3 of the Audit Report for the 18-month period 1 January 2015 to 30 June 2016, I mentioned that the Company’s spectrum licence expired in early April 2016. Despite that, the Ministry disbursed a total amount of Rs 1.9 million for the rental of internet services for September and October 2016. The Ministry has not taken any action to recover the amount overpaid as at end October 2017.

**13.3** **Electronic Document Management System**

The objective of the Electronic Document Management System (EDMS) is to enable the Ministry of Finance and Economic Development (MOFED) and the MTCI, including their Departments and Units, to electronically store and retrieve files at the Government Ministries/Departments, aiming eventually at a paperless office.

The Ministry awarded the contract of the EDMS to a private Firm in July 2014 for an amount of some Rs 11 million initially, and which was brought down to Rs 5 million with the elimination of the hardware components, as it was decided that the server at the Government Online Centre (GOC) would instead be utilised. The project was expected to be completed by end of December 2014.

Payments totalling Rs 5 million were effected for a Process Manual and a software for the EDMS.

* The User Acceptance Certificates, which were signed in March 2017 by some officers, contained significant negative remarks;

* As of December 2017, that is three years after the scheduled completion date, the EDMS was not being significantly used by the above two Ministries.

***Ministry’s Reply***

After user acceptance tests, each Government Agency had listed issues/bugs/ shortcomings together with new requests which required reviews from the Supplier.

The system at the MTCI is expected to be fully operational by the end of this calendar year.

**13.4 Revenue Management at Data Protection Office**

The Data Protection Act requires every Data Controller who processes personal data to register himself with the Data Protection Commissioner, to renew the registration annually and to pay such fee, as may be prescribed both for first registration and for subsequent renewal. The Data Protection Commissioner shall keep and maintain a register of Data Controllers. Previously, the Data Protection Office (DPO) had an old computerised system.

In May 2015, the Ministry awarded a contract for delivery, installation and commissioning of an application software to a private Firm for the sum of Rs 2.8 million. As of 30 June 2017, total payments amounted to Rs 2.7 million. The application software included the registration module, investigation module, finance module, reporting module, integration with Government E-Payment Platform, database management system and data sharing with the Companies Business Registration Department. According to the User Acceptance Certificate issued in June 2016, all items were delivered and the complete system was commissioned.

1. For the old system, no debtors’ listings, along with transactions thereof, were available;
2. There was no evidence of parallel run for the changeover from the old system to the new one;
3. As at 30 June 2017, there was a backlog of some 6,000 files of data entry work for Data Controllers attributed to files not yet created, registration certificates not yet approved, renewal not yet updated, awaiting for update/input in the computerised system;
4. Two significant modules in the application software, that is, Investigation and   
   e-Payment Modules, had not been utilised some 18 months after the commissioning of the system;
5. The Finance Module generated receipts for the first two months of 2017 only. Thereafter, manual receipts were again resorted to;
6. Registration period for all Data Controllers was non-coterminous at time of renewal, as is normally done for companies and tax payers;
7. Based on 10,000 active Data Controllers files, annual renewal fees of some   
   Rs 17.3 million were estimated to be receivable. However, revenue totalling   
   Rs 6.3 million was received as Data Controller Registration and Renewal Fee for 2016-17;
8. Out of a sample of 10 Data Controllers, registration certificates were not issued in five cases, though they were registered on the new system. Consequently, they have been considered as inactive on the system and annual renewal notice was not being sent to them. The renewal fees due for the years 2011-16 have not been included in the debtors listing.

***Ministry’s Reply***

The Data Protection Office is currently having a shortage of staff mainly for collection of fees. Moreover, there exists a backlog of some 6,000 files of data entry work for Data Controllers. Although a custom made system was designed by a private firm for the Data Protection Office, the lack of staff renders it difficult to operate the system effectively.

The old system used by the Data Protection Office which was designed by the Central Information Systems Division, is non compatible with the new software. Therefore, data migration was not fully successful. A report was generated and submitted to the Data Protection Office for all unsuccessful migrations.

**13.5 Mauritius National Identity Card (MNIC) Unit**

Fees ranging from Rs 200 to Rs 1,000 per ID card were payable by applicants requesting the replacement of their smart ID cards. At the end of the day, a Payment Report/Receipt Listing is generated by each of the two National Identity Card Centres located in   
Port-Louis and Rose-Hill from the MNIC system. As per the Treasury Accounting System, a total amount of Rs 9.3 million was collected in 2016-17 by the two National Identity Card Centres.

Accounting records, such as computerised receipt listings, bank paying-in slips and Treasury remittance vouchers for National Identity Card Centre at Port Louis for 2016-17 were not made available to my Officers.

***Ministry’s Reply***

The operations of the Mauritius National Identity Card system have been transferred to the Civil Status Division as from 1 July 2017. The Ministry is proposing to have a meeting with the Registrar of the Civil Status Division for the safe keeping of vouchers, receipts listings and bank paying-in slips.

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