

Government of Tripura
Health & Family Welfare Department
National Health Mission

F.No.3(5-705)-FWPM/SHFWS/AUDIT(C)/2017

Dated, Agartala, the 22nd March, 2018

SELECTION OF AUDITORS – Expression of Interest

HIRING SERVICES OF CHARTERED ACCOUNTANT FIRM FOR CONCURRENT AUDIT OF STATE HEALTH & FAMILY WELFARE SOCIETY AND DISTRICT HEALTH & FAMILY WELFARE SOCIETY, TRIPURA (FOR THE FINANCIAL YEAR 2017-18) UNDER NATIONAL HEALTH MISSION (NHM)

Govt of India (GoI) in partnership with the States is implementing the National Health Mission which comprises of various programs, with the objective of improving medical facilities and seeks to provide accessible, affordable and quality health care to the population, especially the vulnerable sections. To facilitate implementation of NHM, State and District level entities (Health Societies) have been registered which work under the administrative control of the Department of Health & Family Welfare. The State Health & Family Welfare Society, Tripura invites Proposals from **CAG empanelled Chartered Accountant firms having ICAI registration** and which meet all the minimum conditions as per the eligibility criteria given in Request for Proposal (RFP), for carrying out the concurrent audit of the State Health & Family Welfare Society and District Health & Family Welfare Societies for the financial year **2017-18** on monthly basis commencing from **1st April 2017**.

Minimum audit fees for State and District Health & Family Welfare Societies would be as follows:

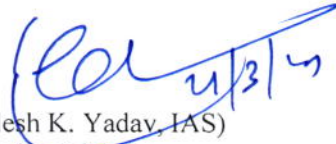
Sl No.	Name	Audit Fees per Month (in Rs.)	Sl No.	Name	Audit Fees per Month (in Rs.)
A.	State	20,417.00	4.	Sepahijala	14,500.00
B.	District:		5.	Dhalai	15,400.00
1.	North Tripura	11,667.00	6.	Gomati	15,400.00
2.	South Tripura	13,000.00	7.	Unakoti	15,400.00
3.	Khowai	15,100.00	8.	West Tripura	15,450.00

Detailed Request for Proposal (RFP) comprising Background, Terms of Reference (ToR) and Guidelines for submitting the proposal can be downloaded from the website tripuranrhm.gov.in between 23/03/2018 and 07/04/2018.

Important Dates:

- Last date for collection of RFP:** 07/04/2018 up to 4:00 pm
- Date for pre-bid conference:** 09/04/2018 at 12:00 pm
- Last date and time for submission of Proposal:** 13/04/2018 up to 4:00 pm
- Date and time of opening of technical bid:** 17/04/2018 at 11:00 am
- Date and time of opening of financial bid:** 02/05/2018 at 11:00 am

Venue for Pre-bid Conference: Pre-bid conference would be held at O/o Mission Director, National Health Mission, Palace Compound, Agartala, Tripura.


(Dr. Shailesh K. Yadav IAS)
Mission Director
National Health Mission
Govt. of Tripura

Request for Proposal (RFP)

For Appointment of Monthly Concurrent Auditor for State Health & Family Welfare Society (SH&FWS) & District Health & Family Welfare Societies (DH&FWS) of all programmes under NHM including NDCPs

2017-18

REQUEST FOR PROPOSAL (RFP)

State Health & Family Welfare Society, Tripura seeks to invite Proposals from Firms of Chartered Accountants **registered with ICAI as on 01.01.2018 (CAG empanelled Chartered Accountants firms)** meeting the minimum eligibility criteria for providing their services for Monthly Concurrent Audit of State Health Society and District Health Societies for Financial year 2017-18.

The details about the background of the auditee, the units to be covered in the audit, scope of work, terms of reference, and the eligibility criteria for selection of the C.A. firms are given in the following paragraphs.

Terms of Reference (ToR)

1. National Rural Health Mission (NRHM) of the Ministry of Health & Family Welfare was launched on 12th April, 2005 by the Government of India to improve medical facilities in all the area in the country. The NHM seeks to provide accessible, affordable and quality health care to the population, especially the vulnerable sections. It also seeks to reduce the Maternal Mortality Ratio (MMR) in the country from 407 to 100 per 1,00,000 live births, Infant Mortality rate (IMR) from 60 to 30 per 1000 live births and the Total Fertility Rate (TFR) from 3.0 to 2.1 within the 7 year period of the Mission. It has now been termed as National Health Mission (NHM). NHM is overarching NUHM also and includes Non-Communicable Diseases (NCD) as well.
2. One of the visions of the Mission is to increase public spending on health from 0.9% to 2-3% of GDP, with the improved arrangement for community financing and risk pooling. The NHM has provided an umbrella under which the existing Reproductive and Child Health Programme (RCH) and various National Disease Control Programmes (NDCPs) have been repositioned. National Urban Health Mission (NUHM) has also been added as submission of National Health Mission.
3. At present the following Programmes/Schemes falls under the National Health Mission:
 - A. NHM- RCH Flexible pool:
 - i. **RCH Flexible Pool** (including Routine Immunization (RI), Pulse Polio Immunization (PPIP) & National Iodine Deficiency Disease Control Programme (NIDDCP)
 - ii. **Health System Strengthening** (including National Programme for Prevention and Control of Deafness (NPPCD), National Oral Health Programme (NOHP), National Programme for Palliative Care (NPPC), Assistance to State for Capacity building (Burn Injury), National Programme for Fluorosis (NPF).
 - B. NUHM Flexible pool
 - C. Flexible pool for Communicable Diseases (CD):
 - i. NVBDCP- National Vector Borne disease Control Programme
 - ii. RNTCP- Revised National Tuberculosis Control Programme
 - iii. NLEP- National Leprosy Eradication Programme
 - iv. IDSP- Integrated Diseases Surveillance Project
 - D. Flexible pool for Non Communicable Disease (NCD):
 - i. NPCB- National Programme for Control of Blindness

- ii. NMHP- National Mental Health Programme
- iii. NPCDCS- National Program for Prevention and Control of Cancer, Diabetes, Cardiovascular, Disease and Stroke
- iv. NPHCE- National Program for Health care for Elderly
- v. NTCP- National Tobacco Control Programme

4. **Institutional and Funding Arrangements:**

For the implementation of the above programmes, MOHFW has required the creation of an Integrated Health Society at State and District levels (registered as a legal entity at the State and District under Societies Registration Act, 1860). Such integrated State Health Society (SHS) works in close coordination with the Directorate of Health & Family Welfare and District Health Societies (DHS) work in coordination with the District Collector and District Chief Medical Officer (CMO). Program implementation is done through its District Chief Medical Officer's office, Blocks, Community Health Centres (CHCs), Primary Health Centres (PHCs), Sub- Centres (SCs), Rogi Kalyan Samities and Village Health & Nutrition Sanitation Committees. Certain activities may be managed at the State level such as drug procurement, IEC, civil works, training using specialized entities such as SIHFW, IEC Bureau, PWD, the Directorate of Health and Municipal Corporations for the urban health components. In addition funds are also released from SHS/ DHS to NGOs and private entities under public private participation (PPP) arrangements.

5. **Funding & Accounting Arrangements:** Funds for the various programs are transferred from Pay & Accounts Office of MoHFW to the State Treasuries and then from Treasuries to the SHS functioning in the State. Government of India transfer funds in the form of Grants-in-Aid to SHS on the basis of respective State Programme Implementation Plan (SPIPs) and approved Annual Work Plans which are prepared on the basis of District Health Action Plans (DHAP) of each of the districts in the State. Under the umbrella of the integrated SHS/DHS each program has separate bank accounts, maintains separate books of accounts and other financial records as per the requirements of each program and also submit separate financial activity reports at varying frequencies to the respective monitoring unit in MOHFW (GOI).

6. **Financing by Development Partners/ Donors:** Some of the programs are supported by development partners such as the World Bank, DFID, UNFPA, European Union, GFATM etc for which grant/credit agreements have been entered into by GoI with the respective development partners. Compliance with specific fiduciary requirements of the development partners will additionally need to be reported by the auditors. Copies of the legal agreements and other project documents will be provided to the auditors.

7. **Objective**

The key objective of the concurrent Audit includes:

- i. To ensure voucher/evidence based on payment to improve transparency
- ii. To ensure accuracy and timeliness in maintenance of book of accounts
- iii. To improve accuracy and timeliness of financial reporting specially at sub-district levels.
- iv. To ensure compliance with laid down systems, procedures and policies
- v. To regularly track, follow up and settle advances on a priority basis
- vi. To asses & improve overall internal control systems

8. **Scope of audit**

The responsibilities of the concurrent auditors should include reporting on the adequacy of internal controls, the accuracy and propriety of transaction, the extent to which assets are accounted for and safeguarded, and the level of compliance with financial norms and procedures of the operational guidelines.

The concurrent audit should be carried out both at State as well as District level.

The scope of work of "**State Concurrent Auditors**" is as follows:

- i. Audit of the SHS accounts and expenditure incurred by SHS
- ii. Verification of Quarterly FMRs with Books of Accounts.
- iii. Audit of Advance at the SHS level
- iv. Audit of the Provisional Utilization Certificates sent to GOI
- v. Monitoring timely submission of the District concurrent audit reports
- vi. Detailed analysis and compilation of the District concurrent audit reports
- vii. Vetting of the State Action Taken reports and providing observation thereon
- viii. Follow-up & monitoring over the ATRs prepared by district on the observations made in the audit
- ix. Preparation of Quarterly Executive summary to be sent to GOI in the prescribed format (**attached as Annexure –III**)
- x. Any other evaluation work, as desired by the State Audit Committee

The scope of work of "**District Concurrent Auditors**" is as follows:

- i. Review of the DHS Account and expenditure incurred by the DHS
- ii. Audit financial Statement of DHS
- iii. Certification of the statement of Expenditure
- iv. Review and analysis of the Age wise and Party wise Advances Report
- v. Comparison between financial and physical performance and analysis
- vi. Visit to sample blocks (in a way to cover all blocks in a year) and peripheral units
- vii. Filling in the checklist provided
- viii. Vetting of the district ATRs and providing observation thereon.
- ix. Any other evaluation works, as desired by the District Audit Committee

9. **Coverage**

1. The state Concurrent Auditor should ensure coverage of all the districts and the District Concurrent Auditor should ensure that all blocks are covered over the entire year.
2. For district containing upto 12 blocks, it needs to be ensured that at least one block is covered every month.
3. The audit plan should include a visit to at least 50% PHCs/CHCs, 3 sub-centers and 3 VHSNCs located within the block selected for visit.
4. The audit has to include accounts maintained under RKS and NDCP (wherever applicable)

10. **Frequency**

Concurrent Audit will be carried out on a "monthly basis".

11. **Contents of Audit Report**

(A) Concurrent Audit Report of a "**State Health Society**" should contain the following financial statement and document.

- a. Duly filled in Checklist provided in the guidelines (**attached as Annexure –I**)
- b. Financial statement as prescribed

- c. Audited Trial Balance
- d. Audited Receipt & Payment A/c
- e. Audited Income & Expenditure A/c
- f. Balance sheet
- g. Audited SOE
- h. Bank Reconciliation Statement
- i. List of outstanding advances - Activity wise & Age-wise
- j. Observation and Recommendation of Auditor - particularly covering the following aspects :
- k. Deficiencies noticed in internal control
- l. Suggestions to improve the internal control
- m. Extent of non-compliance with Guidelines issued by GOI
- n. Action Taken by State Health Society on the previous audit observation, along with his observation on the same.

(B) Concurrent Audit Report of a "**District Health Society**" should contain the following financial statements and documents

- a. Duly filled Checklist provided in the guidelines (**attached as Annexure -II**)
- b. Financial statements as prescribed
- c. Audited Trial Balance
- d. Audited Receipts & Payments A/c
- e. Audited Income & Expenditure A/c
- f. Balance Sheet
- g. Audited Statement of Expenditure
- h. Bank Reconciliation Statement
- i. List of outstanding advances - Activity wise & Age-wise
- j. Observations and Recommendation of the auditor (including observation on blocks visited)
- k. Action Taken by District Health Society on the previous audit observations. Along with his observation on the same.

12. **Reporting & Timing:** Audit should be completed within three months from the date of appointment or 30th June, whichever is later. Penalty clause for non-completion of concurrent audit within schedule time should be follows:

- (i) Imposition of 5% penalty for each month of delay.
- (ii) Delay beyond three months, contract may be terminated and 2nd lowest from the list may be appointed.

13. **Eligibility Criteria for State Health Society & District Health Society:** The firm must be

- (a) empanelled with C&AG and registered with ICAI;
- (b) have at least 1 fellow members of the ICAI;
- (c) have an average turnover of Rs. 8 lacs p.a. in the last three year;
- (d) Firm must have an experience of more than five years in govt. accounting & auditing.

In conducting the audit special attention should be paid to the following:

- a) **An assessment of adequacy of the project financial systems, including financial controls. This should include aspects such as adequacy and effectiveness of accounting, financial and operational controls; level of compliance with established policies, plans and procedures; reliability of accounting systems, data and financial reports; methods of remedying weak controls ; verification of assets and liabilities; a specific report on this aspect would be provided by the auditor annually as part of the management letter**
- b) **Funds have been spent in accordance with the condition laid down by the Department of Health & Family Welfare, Government of India from time to time with due attention to economy and efficiency, and only for the purpose for which the financing was provided. Counterpart contribution from State Government, where required has been provided.**
- c) Goods and services financed have been procured in accordance with the relevant procurement guidelines issued by the GoI. However, for various programmes, **special attention must be paid to the requirements of the agreement between GoI and development partners (such as for RCH-II, RNTCP, IDSP and NVBDCP)**. Such requirements are available within the State concerned Program Officers. For such externally funded programmes, auditor must satisfy that all expenditure, including procurement of goods and services have been carried out as per the procurement manual of the individual programmes and guidelines issued by the Programme Divisions of GoI and have all the necessary supporting documentation.
- d) **Expenditures if any, ineligible for financing by the development partners (as documented in the Development Credit Agreement with IDA and equivalent agreement with DFID) are disclosed adequately in the financial statements.**
- e) **All necessary supporting documents, records and accounts have been kept in respect of the project.**
- f) **The auditors are requested to put up the outputs in the Appendix enclosed.**
- g) **General:** The auditor should be given access to any information relevant for the purpose of conducting the audit. This will normally include (other than all financial and procurement records) the SPIPs, AWP, MOU/LOU signed between MOHFW and the State/ SHS, instructions issued by MOHFW regarding scheme guidelines (e.g. JSY), administrative orders issued by the SHS/ DOHFW/ Directorate of Health including cost norms etc. Where programs are financed by Development Partners copies of the legal agreement, project appraisal document should be made available to the auditors. **State Health Society (SHS)/DHS reserves the right to accept or reject any application without giving any explanation and change the evaluation criteria as per its requirements in the interest of organization.**

14. Guidelines for Submitting the Proposals:

- a) The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "**TECHNICAL PROPOSAL**". Similarly, the original Financial Proposal shall be placed in a separate sealed envelope clearly marked "**FINANCIAL PROPOSAL**" followed by the name of the assignment, and with a warning "**DO NOT OPEN WITH THE TECHNICAL PROPOSAL.**" The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title of the Assignment, and be clearly marked "**DO NOT OPEN, EXCEPT IN PRESENCE OF THE STANDING COMMITTEE FOR AUDIT**". The Society shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Proposal rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.
- b) **Proposals for Monthly Concurrent Audit of State Health Society and District Health Society should be submitted to State Health Society office. Appointment and selection of the state level as well as district level concurrent auditors will be done by the State Audit Committee.**
- c) The audit committee will fix up the base mark to consider the audit firm qualified in the technical bids. The financial bids of only technically qualified firms will be opened by the audit committee. The financial bids of technically non-qualified firms will be return back.
- d) Financial proposals submitted by the firm should be valid for 6 months from the date of submission of the proposal by the firm.
- e) Each page, Form, Annexure and Appendices of the Technical Proposal must be signed by the Authorised signatory of the firm.

Technical & Financial Proposal will consist:

- i. Letter of Transmittal (*Form T-1*)
- ii. Details of the Firm along with Details of Partners (*Form T-2*)
- iii. Financial Bid (*Form F-1*)

The following supporting documents must be submitted by the firm along with the technical proposal:

- i. Latest Certificate of Firm Constitution as on 1st January of the current year issued by ICAI.
- ii. Letter of CAG empanelled for the year 2017-18.
- iii. PAN card.
- iv. GST Registration.
- v. Latest Income Tax Return duly acknowledged by IT Department.
- vi. Latest GST Return.
- vii. Last three years of audited balance sheet.
- viii. Work order/Appointment letters from the auditee organizations.

Letter of Transmittal

To,

.....
.....
.....

Dear Sir,

We, the undersigned, offer to provide the audit services for [*Name of State/District Health & Family Welfare Society*] in accordance with your Request for Proposal dated [*Insert Date*]. We are hereby submitting our Proposal, having details about the firm and proposed audit fees.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

The Fees quoted by us is valid till six months from the date of submission of the proposal. We confirm that this proposal will remain binding upon us and may be accepted by you at any time before the expiry date.

Prices have been arrived independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.

We agree to bear all costs incurred by us in connection with the preparation and submission of the proposal and to bear any further pre-contract costs.

We understand that State/District Health & Family Welfare Society [*Insert Name of the State/District*] is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.

I confirm that I have authority of [*Insert Name of the C.A. Firm*] to submit the proposal and to negotiate on its behalf.

Yours faithfully,

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Expression of Interest for short listing Chartered Accountant Firms for the audit of the accounts of State Health & Family Welfare Society and District Health & Family Welfare Societies on a Monthly Basis

Status of the Firm Partnership _____ Sole Proprietorship _____

1. (a) Name of the firm (in Capital letters) _____

(b) Address of the Head Office

(Please also give telephone no. and e-mail address)

(c) PAN No. of the firm (copy enclosed)

2. ICAI Registration No. _____ Region Name _____

Region Code No.

3. (a) Date of constitution of the firm:

(b) Date since when the firms has a full time FCA

4. Full-time Partners/Sole Proprietor of the firm as on 1st January,

S. No.	Years of continuous association with the firm	Number of FCA	Number of ACA
a)	Less than one year		
b)	1 year or more but less than 5 years		
c)	5 year or more but less than 10 years		
d)	10 year or more but less than 15 years		
e)	15 year or more		

Note: Please attach the copy of Firm's Constitution Certificate issued by ICAI as on 01.01.20....

5. Number of Part time Partners if any, as on 1st January, ...

6. Number of Full time Chartered Accountant as on 1st January, ...

7. Number of audit staff employed full-time with the firm

a) Qualified (Qualified CA in addition to partners) _____

b) Semi-Qualified (CA inter) _____

c) Other Professional Staff (B.com graduate or equivalent) _____

8. Number of Branches if any (Please mention _____
places & locations):

9. Total Average Annual Turnover of the firm in last three years _____

10. Whether the firm is engaged in any internal
or External audit or any other services Yes/No
providing to any Govt. Company/Corporation
or co-operative institution etc.
(If yes, details may be given on a separate sheet)

11. Whether the firm is implementing quality control
Policies and procedures designed to ensure Yes/No
that all audit are conducted in accordance with
Statements on **Standard Auditing Practices**.
(If yes, a brief note on the procedure adopted is to be enclosed)

12. Whether there are any court/arbitration/any
other legal case against the firm. Yes/No
(If yes, give a brief note of the case indicating its present status)

Undertaking

I/We do hereby declare that the above mentioned information are true & correct and I /We also undertake to abide the terms & condition of the contract and would make compliance of terms laid-down in the contract if executed by us with the State SCOVA.

Date:

Place:

Signature of Proprietor/Sole Partner

FORMAT FOR FINANCIAL BID

(Please provide the break-up of Firm's quoted fees for each work and unit)

Sl No.	Item	Audit Fees in Rupees per month (including cost of TA/DA)	GST in Rs.	Total Fees (In Rs.)	Rupees in words
1	SH&FWS				
2	DH&FWS, West Tripura				
3	DH&FWS, South Tripura				
4	DH&FWS, North Tripura				
5	DH&FWS, Dhalai				
6	DH&FWS, Khowai				
7	DH&FWS, Sepahijala				
8	DH&FWS, Gomati				
9	DH&FWS, Unakoti				

Note: (i) Percentage of funds involved shall not be a basis of quoting the Audit Fee.

(ii) In case of changes in the rate of GST the revised GST shall be paid.

(Signature of Authorized Person)

TECHNICAL EVALUATION SHEET

The audit committee has to evaluate the bids submitted by interested firms on the following parameters:

	Criteria	Remarks	Max Marks	Marks Obtained
1	No. of Partner (FCA/ACA)		10	
2	Years of Partners Experience		10	
3	Years of Partners associated with the firm		10	
4	No. of Staff-			
	i. Qualified (Qualified CA's in addition to partners)		10	
	ii. Semi-Qualified (CA inter)		5	
	iii. Others (B.com graduate or equivalent)		5	
5	Nature of Experience-			
	i. RCH/NHM Audit		5	
	ii. Govt. Social Sector Audit		15	
	iii. Other Social Sector Audit		10	
6	No. of Branches		10	
7	Total turnover of the firm in last 3 years		10	
Total marks			100	

Supporting Documents for Eligibility Criteria: Following supporting documents must be submitted by the firm along with the technical proposal:

For S. No. 1, 2, 3 & 6, the firm must submit an attested copy of Certificate of ICAI as on 01.01.2018.

For S. No. 4, the firm must give details of the staff (Name, Qualification, Years of Association with the Firm, Relevant Experience etc.)

For S. No. 5, the firm must submit a copy of the appointment letters from the auditee organizations.

For S. No. 7, the firm must submit a copy of the balance sheet for the last three years and copy of GST return.

The Name and Address of the State Health & Family Welfare Society, District Health & Family Welfare Societies and the details of the contact persons at the district in the state of Tripura are as follows:

Sl. No.	Name of the State, District	Address for communication and submission of proposal	Designation and telephone numbers of the contact person	
			Office No.	Finance/Accounts Manager
1.	State Health & Family Welfare Society (Tripura)	O/o the Mission Director, National Health Mission, Palace Compound, Agartala – 799001	0381-2324081	8974410665/ 9436125479
2.	District Health & Family Welfare Society (North Tripura)	O/ o the Chief Medical Officer, Dharmanagar, North Tripura, PO: Dharmanagar, PIN: 799250	03822-234270	9436339292
3.	District Health & Family Welfare Society (Unakoti)	O/o the Chief Medical Officer, District: Unakoti, PO: Gournagar, Pin: 799277	03824222240	9485010261
4.	District Health & Family Welfare Society (Dhalai)	O/o the Chief Medical Officer, Dhalai. PO- Ambassa, Pin- 799289	03826-222623	9436515556
5.	District Health & Family Welfare Society (West Tripura)	O/o the Chief Medical Officer, Palace Compound, Agartala, West Tripura, Pin 799001	03812325816	9436186397
6.	District Health & Family Welfare Society (Khowai)	O/o the Chief Medical Officer, Khowai – 799201	03825-222202	9402333930
7.	District Health & Family Welfare Society (South Tripura)	O/o the CMO South Tripura, Belonia, Pin- 799155	03823-222216	9862641264
8.	District Health & Family Welfare Society (Gomati)	O/o the Chief Medical Officer, P.O+P.S:- Radha Kishore Pur, Dist:-Gomati Tripura, Udaipur Pin:-799120	03821-222221	9436469115
9.	District Health & Family Welfare Society (Sepahijala)	O/o the CMO Sepahijala Tripura, Bishalgarh, Pin- 799102	0381-236-1363	9436921841

Annexure – I

GUIDELINES CUM CHECKLIST FOR AUDIT OF STATE HEALTH SOCIETIES, NRHM

Note: If the answer for any of the item below is adverse (i.e., 'NO'), please give details on a separate sheet.

Sr. No	Questionnaire	Remarks
A. REQUIREMENTS AS PER GOI GUIDELINES		
1	Whether FMRs are based on the books of accounts?	YES/NO
2	Whether advances are shown as expenditure in the FMRs?	YES/NO
3	Whether FMRs are being prepared in the format prescribed by GOI?	YES/NO
4	Whether FMR reporting is being done on time every quarter?	YES/NO
5	Whether the concurrent auditor has audited the quarterly FMR?	YES/NO
6	Whether Statement of Fund Position is being sent along with FMRs?	YES/NO
7	Whether monthly Bank Balances Position Reports are sent to GOI regularly, in the prescribed format?	YES/NO
8	Whether the concurrent auditor has audited the Statement of Fund Position?	YES/NO
9	Whether Provisional Utilization Certificates for the last financial year has been sent to GOI?	YES/NO
10	Whether the Provisional Utilization Certificates sent to GOI have been audited by concurrent auditor	YES/NO
11	Whether statutory annual auditor has been appointed on the due date, i.e., 31 st March	YES/NO
12	Whether the appointment of statutory auditor has been intimated to GOI?	YES/NO
13	Whether Delegation of Administrative and Financial Power has been done as per the GOI Guidelines?	YES/NO
14	Whether Financial and Accounting unification has taken place in the SHS as per GOI notification No. 107/FMG/2005-06 dated 14.12.2006?	YES/NO
15	Whether the last annual financial statements were prepared in the format prescribed by GOI?	YES/NO
16	Whether the SHS has sent the Action Taken Report (ATR) on the last statutory audit report of the DHS to the SHS?	YES/NO
B. MAINTENANCE OF BOOKS OF ACCOUNTS		
1	Whether books of accounts are maintained on computerized software? <i>Note: If accounts are maintained on standard accounting software, strike out the points not applicable in the relevant rows below.</i>	YES/NO
2	Whether cash book is being maintained in the format prescribed?	YES/NO
3	Whether separate Cash Books with Cash and Bank Balance on Cash System of accounting are being maintained properly for different projects (RCH, NRHM, SIP etc.) and are up-to-date?	YES/NO
4	Whether Cash Book is closed daily by 4 p.m. and is authenticated and duly signed by authorized signatory on daily basis?	YES/NO
5	Whether the Society is carrying heavy cash balances i.e. exceeding Rs. 5000/-?	YES/NO

6	If the answer to above is in positive, please give the no. of cases an the reasons therefore	YES/NO
7	Whether appropriate insurance cover is there for excess cash held by the State Health Societies"?	YES/NO
8	Does the physical cash tallies with that entered in Cash Book? Give dates on which verified and the cash balance with SHS on that day	
9	Whether Petty Cash Book is being maintained properly?	YES/NO
10	Whether Cheques issued re ister is being maintained properly?	YES/NO
11	Whether Registers of Bank Drafts received and Bank Drafts Issued are being maintained?	YES/NO
12	Whether updated pass book / bank statement is available?	YES/NO
13	Whether Bank reconciliation is prepared on a monthly basis as per Annexure-F	YES/NO
14	Whether proper explanation has been given by the persons responsible regarding unreconciled entries"? Please give detailed list of unreconciled and unexplained entries.	YES/NO
15	Are Ledgers being maintained properly.	YES/NO
16	Whether Journal mister maintained?	YES/NO
17	Whether Budget Receipt & Control Register is being maintained in the format given in Annexure 'B'?	YES/NO
18	Whether Register for Advances maintained as Advances given - to District Health Societies - to Staff, - to Contractors/suppliers,and - TA/DA advance - NGOs/ Other voluntary agencies	YES/NO
19	Whether Register for Staff Payments maintained?	YES/NO
20	Whether Stock Registers are being maintained properly for: • Civil Works • Machinery & Equipment • Furniture & Other non-consumable articles • Register for drugs & medicines • Register for consumable articles	YES/NO
21	Is register of Investments being maintained properly?	YES/NO
22	Whether Dispatch Register maintained properly?	YES/NO
23	Whether Office attendance register is there and maintained properly?	YES/NO
24	Whether all the files of the Society are systematically numbered and Yes / No recorded in the File register?	YES/NO
C. RECEIPTS & INCOME		
25	Whether DD received register is being maintained properly?	YES/NO
26	Whether all the receipts have been recorded in DD received register and Bank book with date and sanction nos.?	YES/NO

27	Whether Grants received have been recorded under proper heads according to the purpose for which it was received? eg. towards RCH flexi pool. Pulse polio, EC-SIP, DFIDetc.	YES/NO
D. PAYMENTS & EXPENDITURE		
28	Whether there is any significant delay in sending the funds to districts after their receipt from GOI?	YES/NO
29	Whether all the vouchers are checked for the payments made? (Check all Vouchers above Rs. 1 0,000/- and test check remaining vouchers).	YES/NO
30	Whether vouchers have been filled properly and complete in all respect?	YES/NO
31	Whether all the vouchers are scrolled or not and entered into the , Cash/Bank Book properly?	YES/NO
32	Whether all vouchers are supported with appropriate documentary evidences?	YES/NO
33	Whether necessary approval from appropriate authority has been taken for expenditures made?	YES/NO
34	Whether all the approvals are within the sanctioning powers of the sanctioning authority?	YES/NO
35	Whether procedure for obtaining the sanctions has been followed? If no, pl specify the no. of cases in which it is not followed	YES/NO
36	Whether expenditures are classified into Capital and Revenue properly?	YES/NO
37	Whether expenses are debited to proper activity for which it was given?	YES/NO
38	Whether all the payments have been classified into as- Yes / No - Disbursements out of Grants-in-aid received from a) RCH Flexible Pool b) Mission Flexible Pool c) Routine Immunization d) Pulse Polio Immunization e) NDCPs Programmes such as TB, Malaria, Blindness etc. f) Any other grants	YES/NO
39	Whether the amount is been actually utilized for the purpose for which it was disbursed? If no, pl, give details:	YES/NO
40	Whether there is any deviation between the amount of expenses shown as per Income & Expenditure and as per FMRs submitted by State Health Society to GOI?	YES/NO
41	If yes, quantify the difference activity wise.	YES/NO
E. ASSET SIDE		
a) Fixed Assets		
42	Whether fixed assets register has been maintained in the prescribedformat? (see Annexure 'C')	YES/NO
43	Is the procedure for purchase of Fixed Assets being followed? Reports deviations if any.	YES/NO

44	Does physical stock tallies with that recorded in register?	YES/NO
b) Advances		
45	Whether Advances are given after follows required procedures	YES/NO
46	The purpose for which advance was given comply with the bye-laws?	YES/NO
47	Whether Advance tracking register is maintained properly? (format as per Annexure 'D')	YES/NO
48	Specify whether an Age analysis of Advances has been maintained as per format given? (Annexure E)	YES/NO
49	Whether there are huge unadjusted advances say more than one month)?	YES/NO
50	If the answer to above is affirmative please give details of such unadjusted advances and the reasons for not adjusting the same.	YES/NO
F. LIABILITIES SIDE		
a) Grants/ Funds Received		
	Whether grants-in-aid received have been properly classified that received from Government towards- <ul style="list-style-type: none"> • RCH-11 Flexi pool • Mission Flexible Pool • Routine Immunization • Pulse Polio • Individual NDCPs • Others (specify) 	YES/NO
b) Capital Fund		
52	Whether Capital Fund Account has been created to the extent of fixed asset purchased and capitalized?	YES/NO
G. STATUTORY REQUIREMENTS		
a) Tax Deducted at Source (T.D.S)		
53	Whether T.D.S has been deducted appropriately wherever required?	YES/NO
54	Whether tax has been deducted at source at the rates prescribed? Give list of cases where tax has not been deducted or has been deducted short. (for rates of deduction of tax refer Annexure 'F').	YES/NO
55	Whether quarterly returns of T.D.S in the form prescribed have been filled in time? If not, state reasons.	YES/NO
b) Other requirements		
56	Whether the Society is registered with Income Tax Authorities for exemption from paying Income Tax under relevant section/s?	YES/NO

Annexure – II

GUIDELINES CUM CHECKLIST FOR AUDIT OF DISTRICT HEALTH SOCIETIES, NRHM

Note: If the answer for any of the item below is adverse (i.e., 'NO'), please give details on a separate sheet

Sr. No	Questionnaire	Remarks
A. REQUIREMENTS AS PER GOI GUIDELINES		
1	Whether FMRs are based on the books of accounts?	YES/NO
2	Whether advances are shown as expenditure in the FMRs?	YES/NO
3	Whether FMRs/SOES are being prepared in the format prescribed by GUI?	YES/NO
4	Whether FMR/SOE reporting is being done on time every month?	YES/NO
5	Whether the concurrent auditor has audited the monthly FMR/SOE?	YES/NO
6	Whether Statement of Fund Position is being sent along with FMR/SOE?	YES/NO
7	Whether the concurrent auditor has audited the Statement of Fund Position?	YES/NO
8	Whether utilization Certificates for the financial year has been sent to SHS?	YES/NO
9	Whether the utilization Certificates sent to SHS have been audited by concurrent auditor	YES/NO
10	Whether the DHS has sent the Action Taken Report (ATR) on the last statutory audit report of the DHS to the SHS?	YES/NO
11	Whether all the Rogi Kalyan Samities (RKSs) in the District have been audited as per last due date? If not, list down the RKSs which have not been audited.	YES/NO
B. MAINTENANCE OB BOOKS OF ACCOUNTS		
1	Whether cash books are maintained in the format prescribed? (Annexure A)	YES/NO
2	Whether separate Cash Books with Cash and Bank Balance on Cash System of accounting are being maintained properly for different projects (RCH, NRHM, SIP etc.) and are up-to-date?	YES/NO
3	Whether Cash Book is closed daily by 4 p.m. and is authenticated and duly signed by authorized signatory on daily basis?	YES/NO
4	Whether the Society is carrying heavy cash balances i.e. exceeding Rs. 5000/-?	YES/NO
5	If the answer to above is in positive, please give the no. of cases and the reasons therefore	YES/NO
6	Whether appropriate insurance cover is there for excess cash held by the District Health Societies'?	YES/NO
7	Does the physical cash tallies with that entered in Cash Book? Give dates on which verified and the cash balance with SHS on that day	
8	Whether Petty Cash Book is being maintained properly?	YES/NO
9	Whether Cheques issued register is being maintained properly?	YES/NO

10	Whether Registers of Bank Drafts received and Bank Drafts Issued are being maintained?	YES/NO
11	Whether updated pass book / bank statement is available?	YES/NO
12	Whether Bank reconciliation is prepared on a monthly basis as per Annexure-F	YES/NO
13	Whether proper explanation has been given by the persons responsible regarding unreconciled entries'? Please give detailed list of unreconciled and unexplained entries.	YES/NO
14	Are Ledgers being maintained properly?	YES/NO
15	Whether Journal register maintained?	YES/NO
16	Whether Budget Receipt & Control Register is being maintained in the format given in Annexure 'B'?	YES/NO
17	Whether Register for Advances maintained as Advances given - to Staff, - to Contractors/suppliers, and - TA/DA advance	YES/NO
18	Whether Register for Staff Payments maintained?	YES/NO
19	Whether Stock Registers are being maintained properly for: • Civil Works • Machinery & Equipment • Furniture & Other non-consumable articles • Register for drugs & medicines • Register for consumable articles	YES/NO
20	Is there a separate register of advances to NGOs and other voluntary agencies implementing RCH-II prog?	YES/NO
21	Is Register of investment being maintained properly?	YES/NO
22	Weather dispatch register is maintained properly?	
23	Whether Office attendance register is there and maintained properly?	YES/NO
24	Whether all the files of the Society are systematically numbered and recorded in the File register?	YES/NO
C. RECEIPTS & INCOME		
25	Whether DD received register is being maintained properly?	YES/NO
26	Whether all the receipts have been recorded in DD received register and Bank book with date and sanction nos.?	YES/NO
27	Whether Grants received have been recorded under proper heads according to the purpose for which it was received? eg. towards RCH flexi pool. Pulse polio, EC-SIP, DFID etc.	YES/NO
D. PAYMENTS & EXPENDITURE		
28	Whether all the vouchers are checked for the payments made? (Check all Vouchers above Rs. 20,000/- and test check remaining vouchers).	YES/NO

29	Whether vouchers have been filled properly and complete in all respect?	YES/NO
30	Whether all the vouchers are scrolled or not and entered into the, Cash/Bank Book properly?	YES/NO
31	Whether all vouchers are supported with appropriate documentary evidences?	YES/NO
32	Whether necessary approval from appropriate authority has been taken for expenditures made?	YES/NO
33	Whether all the approvals are within the sanctioning powers of the sanctioning authority?	YES/NO
34	Whether procedure for obtaining the sanctions has been followed? If no, pl specify the no. of cases in which it is not followed	YES/NO
35	Whether expenditures are classified into Capital and Revenue properly?	YES/NO
36	Whether expenses are debited to proper activity for which it was given?	YES/NO
37	Whether all the payments have been classified into as- Yes / No - Disbursements out of Grants-in-aid received from a) GOI b) WHO c) NIHFV d) OTHERS	YES/NO
38	Whether the amount is been actually utilized for the purpose for which it was disbursed? If no, pl, give details:	YES/NO
39	Whether there is any deviation between the amount of expenses shown as per Income & Expenditure and as per SOEs submitted by District Health Society to the state?	YES/NO
40	If yes, quantify the difference activity wise.	YES/NO
E. ASSET SIDE		
a) Fixed Assets		
41	Whether fixed assets register has been maintained in the prescribed format? (see Annexure 'C')	YES/NO
42	Is the procedure for purchase of Fixed Assets being followed? Reports deviations if any.	YES/NO
43	Does physical stock tallies with that recorded in register?	YES/NO
b) Advances		
44	Whether Advances are given after follows required procedures	YES/NO
45	The purpose for which advance was given comply with the bye-laws?	YES/NO
46	Whether Advance tracking register is maintained properly? (format as per Annexure 'D')	YES/NO
47	Specify whether an Age analysis of Advances has been maintained as per format given? (Annexure E)	YES/NO
48	Whether there are huge unadjusted advances say more than one month)?	YES/NO
49	If the answer to above is affirmative please give details of such unadjusted advances and the reasons for not adjusting the same.	YES/NO

F. LIABILITIES SIDE		
a) Grants/ Funds Received		
50	Whether grants-in-aid received have been properly classified that received from Gol towards- <ul style="list-style-type: none"> • RCH-11 Flexi pool • Pulse Polio • IBC-SIC • Area Projects Others (specify)	YES/NO
b) Capital Fund		
51	Whether Capital Fund Account has been created to the extent of fixed asset purchased and capitalized?	YES/NO
G. OTHER STATUTORY REQUIREMENTS		
a) Tax Deducted at Source (T.D.S)		
52	Whether T.D.S has been deducted appropriately wherever required?	YES/NO
53	Whether tax has been deducted at source at the rates prescribed? Give list of cases where tax has not been deducted or has been deducted short. (for rates of deduction of tax refer Annexure 'F').	YES/NO
54	Whether quarterly returns of T.D.S in the form prescribed have been filled in time? If not, state reasons.	YES/NO
b) Other requirements		
55	Whether the Society is registered with Income Tax Authorities for exemption from paying Income Tax under relevant section/s?	YES/NO

Executive Summary

(To be submitted to FMG, MoHFW, GoI by the State Programme Management Support Unit, State Health Society)

Name of the State _____

For the Quarter (due dates: 31st July/31st Oct/31st January/30th April)/Year

NOTE: Based on the three monthly reports, this report has to be submitted along with the Quarterly Financial Monitoring Report

Part-A: State level issues:

Books of Accounts

1. Whether books of accounts of SHS are computerized? If yes, whether any ERP system has been implemented?
2. Whether registers related to budget receipt and control, advances, staff payments, stock, investments etc. are being maintained properly?
3. Whether the Quarterly FMRs and Statement of Fund Position are based on books of accounts. and prepared in the prescribed format?
4. Whether the Quarterly FMRs and Statement of Fund Position are audited by the concurrent auditor?

Disbursement & utilization of funds

5. Provide a list of advances and total amount involved which are outstanding for more than a year. Mention the follow up action taken for the same.
6. Whether the Provisional Utilization Certificates sent to GOI have been audited by the concurrent auditor?
7. Whether there is any significant delay in disbursing the funds to Districts, after their receipt from GOI?
8. Whether the posts of State Finance Manager and State Accounts Manager are filled up? If vacant, since when?

Monitoring & evaluation

9. Whether the state audit committee has been meeting at regular intervals? (Indicate the number of meetings held during the period)
10. Whether audit observations of the concurrent auditor have been complied with?
11. Whether Action Taken Report on observations has been submitted regularly?
12. Whether the SHS has sent the Action Taken Report (ATR) on the last concurrent audit report of the DHS to the GOI?

Others

13. Whether unification of financial and accounting processes as per GOI Notification No. 107/FMG/2005-06 dated 14.12.2006 has been completed?
14. Whether delegation of Administrative and Financial powers have taken place as per GOI guidelines (circulated vide D.O. No.118/RCH-Fin/2006-07 dated 1st May, 2007).

Part-B: District level issues:

Coverage

15. Name of the Districts where monthly concurrent audit has not taken place. (specify the reason)
16. Number of districts where all the blocks have not been covered at least once in the course of audit. (indicate the numbers in each district)
17. Number of blocks (district wise) where the peripheral units have not been visited
18. Number of Rogi Kalyan Samities (district-wise) where last annual audit has not been done.

Books of Accounts

19. Name of the Districts where books of accounts are not computerized. Provide a district wise breakup of health facilities for the same.
20. Name of the Districts where Cash Books are not being maintained/closed on a daily basis. Provide a district wise breakup of health facilities for the same.
21. Name of the Districts where bank reconciliation is not being done on a monthly basis. Provide a district wise breakup of health facilities for the same.

Reporting

22. Name of the Districts which have not submitted the Statement of Fund Position in the last three months.
23. Name of districts that have not submitted their concurrent audit reports on time. Also mention the extent of delay.
24. Name of the Districts which have not submitted FMRs/SOEs in the last three months.
25. Name of the Districts where the SOEs/FMRs are not being submitted in prescribed format.
26. Whether the SOE/ FMR submitted by the districts includes the SOE from all the Blocks/ CHC/PHC etc. on regular basis and on the basis of the Books of Accounts only? Report the exceptions to the same.
27. Provide a list of advances and total amount involved District-wise which are outstanding for more than a year. Mention the follow up action taken for the same.

Audit Committee

28. Number of districts where audit committee has not been constituted/ is not meeting at regular intervals (Indicate names)

Others

29. Number of Districts where unification of finance and accounting processes has not taken place as per GO1 guidelines.
30. Number of districts where posts of District Accounts Manager has been vacant for more than 3 months.
31. Number of Districts where Delegation of Administrative and Financial powers have not taken place as per GOI guidelines (circulated vide D.O. No.118/RCH-Fin2006-07 dated 1st May, 2007).

Part-C: Pending issues:

32. Whether the issues raised in the last Quarterly Executive Summary have been addressed? List down the details of major pending issues.

(S/d.)

State Health Society

(S/d.)

CONCURRENT AUDITOR, DIRECTOR (FINANCE & ACCOUNTS)/
MISSION DIRECTOR
State Health Society