



AUDIT REPORT
ON
THE ACCOUNTS OF
17 DISTRICT EDUCATION AUTHORITIES
OF PUNJAB (SOUTH)
AUDIT YEAR 2019-20

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

AEO	Assistant Education Officer
APPM	Accounting Principals & Policies Manual
CEO	Chief Executive Officer
CPR	Computerized Payment Receipt
DAC	Departmental Accounts Committee
DEO (SE)	District Education Officer (Secondary)
DDO	Drawing and Disbursing Officer
DEA	District Education Authority
DEO	District Education Officer
DGA	Directorate General Audit
DMO	District Monitoring Officer
DO	District Officer
Dy. DEO (EE-M)	Deputy District Education Officer (Elementary Education Male)
Dy. DEO (EE-W)	Deputy District Education Officer (Elementary Education Women)
EDO	Executive District Officer
ESE	Elementary School Educator
EST	Elementary School Teacher
FBR	Federal Board of Revenue
FD	Finance Department
FTF	Farogh-e-Taleem Fund
FTN	Free Tax Number
GBHSS	Government Boys Higher Secondary School
GGHS	Government Girls High School
GPF	General Provident Fund
GST	General Sales Tax
HRA	House Rent Allowance
HRC	House Rent Charges
INTOSAI	International Organization of Supreme Audit Institution
IPSAS	International Public Sector Accounting Standards
IT	Information Technology
KPIs	Key Performance Indicators
KPR	Khan Pur

LG&CD	Local Government & Community Development
LG&RD	Local Government & Rural Development
MC	Municipal Corporation
MFDAC	Memorandum for Departmental Accounts Committee
MNA	Member National Assembly
NAM	New Accounting Model
NSB	Non Salary Budget
NTN	National Tax Number
P&D	Planning & Development
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PC-I	Planning Commission Form-I
PDG	Punjab District Government
PEF	Punjab Education Fund
PFR	Punjab Financial Rules
PLGA	Punjab Local Government Act
PLGO	Punjab Local Government Ordinance
PMIU	Punjab Management Information Unit
POL	Petroleum Oil and Lubricants
PPRA	Punjab Procurement Regulatory Authority
PTC	Primary School Teacher
PSTS	Punjab Sales Tax on Services
RDA	Regional Directorate of Audit
RYK	Rahim Yar Khan
S&GAD	Services and General Administration Department
SAP	Systems, Applications and Products
SBD	State Bank Deposit
SBP	State Bank of Pakistan
SC	School Council
SESE	Senior Elementary School Educator
SSE	Secondary School Educator
SDK	Sadiq Abad
UA	Union Administration
WAPDA	Water & Power Development Authority

PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 8 & 12 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001 and Section 108 of the Punjab Local Government Act, 2013 require the Auditor General of Pakistan to audit the accounts of the Federation or a Province and the accounts of any authority or body established by or under the control of the Federation or a Province. Accordingly, the audit of District Education Authority is the responsibility of the Auditor General of Pakistan.

The report is based on audit of the accounts of 17 District Education Authorities of the Punjab for the Financial Year 2018-19. The Directorate General of Audit, District Governments, Punjab (South), Multan, conducted audit during Audit Year 2019-20 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs 1 million or more. Relatively less significant issues are listed in the Annexure-A of the Audit Report. The Audit observations listed in the Annexure-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report. Sectoral analysis has been added in this report covering strategic review and overall perspective of audit results.

Audit findings indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

The report has been finalized in the light of the written responses of management wherever conveyed.

The Audit Report is submitted to the Governor of Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 108 of the Punjab Local Government Act, 2013, for causing it to be laid before the Provincial Assembly.

Islamabad
Dated:

(Javaid Jehangir)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General Audit, District Governments, Punjab (South), Multan is responsible for carrying out the audit of Local Governments comprising, Municipal Corporations, Municipal Committees, District Councils, Union Councils, District Health and Education Authorities of 17 Districts of Punjab (South) namely Bahawalnagar, Bahawalpur, Chiniot, Dera Ghazi Khan, Faisalabad, Jhang, Khanewal, Layyah, Lodhran, Multan, Muzaffargarh, Pakpattan, Rahim Yar Khan, Rajanpur, Sahiwal, Toba Tek Singh & Vehari and eight companies of the Department of Local Government and Community Development i.e. 05 Cattle Market Management Companies and 03 Waste Management Companies.

The Directorate General Audit has a human resource of 87 officers and staff, constituting 25,404 mandays and annual budget of Rs 143.421 million for the Financial Year 2019-20. Director General Audit, District Governments Punjab (South) carried out audit of the accounts of 17 District Education Authorities for the Financial Year 2018-19.

District Education Authorities were established w.e.f. 01.01.2017 and conduct operations under Punjab Local Government Act, 2013. The Chief Executive Officer (CEO) is the Principal Accounting Officer (PAO) of the District Education Authority and carries out functions of the Education through group of offices as notified in Punjab Local Government Act (PLGA), 2013. According to the Act, the District Education Fund comprises District Local Fund and Public Account. Due to delay of electoral process Chairmen were not elected, therefore the Annual Budget Statements were authorized by the Deputy Commissioner in each district, who was appointed as Administrator by the Government of the Punjab.

Audit Objectives

Audit was conducted with the objectives to ensure that:

1. Money shown as expenditure in the accounts was authorized for the purpose for which it was spent.
2. Expenditure was incurred in conformity with the laws, rules and regulations framed to regulate the procedure for expending of public money.
3. Every item of expenditure was incurred with the approval of the competent authority in the Government.
4. Public money was not wasted.
5. The assessment, collection and accountal of revenue was made in accordance with the prescribed laws, rules and regulations and accounted for in the books of accounts of the District Education Authorities.

a) Scope of Audit

This office is mandated to conduct audit of 3,741 formations working under the Chief Executive Officers of 17 District Education Authorities (DEAs). Total expenditure and receipt of these formations were Rs 132,327.997 million and Rs 632.471 million respectively for the financial year 2018-19.

Audit coverage relating to expenditure for the current audit year comprises 113 formations of 17 District Education Authorities having total expenditure of Rs 56,490.523 million for the financial year 2018-19. In terms of percentage, the audit coverage for expenditure is 42.69 % of auditable expenditure.

Audit coverage relating to receipt for the current audit year comprises 113 formations of 17 District Education Authorities having total receipt of Rs. 466.993 million for the financial year 2018-19. In terms of percentage, the audit coverage for receipt is 73.84 % of auditable receipt.

This audit report also includes audit observations resulting from the audit of:

1. Expenditure of Rs. 75,121.655 million for the financial year 2017-18 pertaining to 96 formations of 17 District Education Authorities.
2. Expenditure of Rs. 3,359.591 million and receipt of Rs. 196.602 million pertaining to previous financial years.

In addition to this compliance audit report, DG Audit District Governments Punjab (South) Multan conducted 34 Financial Attest Audits, 01 Performance Audit and 01 Special Study. Reports of these audits are being published separately.

b) Recoveries at the Instance of Audit

As a result of audit, a recovery of Rs 1,110.411 million was pointed out in this report. Recovery effected during January to December 2019 was Rs 56.823 million which was verified by Audit.

c) Audit Methodology

Audit was carried out against the standards of financial governance provided under various provisions of the Punjab Local Government Act, 2013, PFR Vol-I, II, Delegation of Financial Powers and other relevant laws, which govern the propriety of utilization of the financial resources of the District Education Authority in accordance with the regularity framework provided by the relevant laws. On the spot examination and verification of record was also carried out in accordance with the applicable laws / rules and according to the INTOSAI auditing standards.

The selection of the audit formations was made keeping in view the significance and risk assessment, samples were selected after prioritizing risk areas by determining significance and risk associated with identified key controls.

d) Audit Impact

A number of improvements in record maintenance and procedures have been initiated by the authority concerned; however, audit impact in shape of change in rules is not be materialized as the provincial Public Accounts Committee has not discussed any Audit Report.

e) Comments on Internal Control and Internal Audit Department

Internal control mechanism of District Education Authorities of Faisalabad Region was not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit which includes some serious lapses like unauthorized withdrawal of public funds against the entitlement of the employees, non-maintenance of assets register etc. Negligence on the part of District Education Authorities may be captioned as one of the important reasons for weak Internal Controls.

f) The Key Audit Findings of the Report

- i. Non-Production of Record worth Rs 9,265.787 million was reported in 14 case¹.
- ii. Fraud and Misappropriations involving an amount of Rs 6.735 million were reported in five cases²
- iii. Irregularities amounting to Rs 22,920.509 million were noticed in 254 cases³.
- iv. Value for Money and Service Delivery Issues involving Rs 2,023.196 million were noticed in 51 cases⁴
- v. Other issues involving an amount of Rs 47,045.244 million were noticed in 108 cases⁵.

¹ Para No. 1.2.5.1.1, 2.2.5.1.1, 3.2.5.1.1, 4.2.5.1.1, 5.2.5.1.1, 6.2.5.1.1, 7.2.5.1.1, 10.2.5.1.1, 12.2.5.1.1, 13.2.5.1.1, 14.2.5.1.1, 15.2.5.1.1, 16.2.5.1.1, 17.2.5.1.1

² Para No. 6.2.5.2.1, 7.2.5.2.1, 9.2.5.1.1, 11.2.5.1.1, 14.2.5.2.1

³ Para No. 1.2.5.2.1 to 1.2.5.2.13, 2.2.5.2.1 to 2.2.5.2.9, 3.2.5.2.1 to 3.2.5.2.14, 4.2.5.2.1 to 4.2.5.2.25, 5.2.5.2.1 to 5.2.5.2.23, 6.2.5.3.1 to 6.2.5.3.24, 7.2.5.3.1 to 7.2.5.3.19, 8.2.5.1.1 to 8.2.5.1.11, 9.2.5.2.1 to 9.2.5.2.12, 10.2.5.2.1 to 10.2.5.2.17, 11.2.5.2.1 to 11.2.5.2.10, 12.2.5.2.1 to 12.2.5.2.11, 13.2.5.2.1 to 13.2.5.2.12, 14.2.5.3.1 to 14.2.5.3.15, 15.2.5.2.1 to 15.2.5.2.17, 16.2.5.2.1 to 16.2.5.2.11, 17.2.5.2.1 to 17.2.5.2.11

⁴ Para No. 1.2.5.3.1 to 1.2.5.3.7, 3.2.5.3.1, 4.2.5.3.1 to 4.2.5.3.3, 5.2.5.3.1 to 5.2.5.3.4, 6.2.5.4.1, 7.2.5.4.1 to 7.2.5.4.2, 8.2.5.2.1 to 8.2.5.2.4, 10.2.5.3.1, 11.2.5.3.1 to 11.2.5.3.3, 12.2.5.3.1 to 12.2.5.3.3, 13.2.5.3.1 to 13.2.5.3.5, 14.2.5.4.1 to 14.2.5.4.7, 15.2.5.3.1 to 15.2.5.3.5, 16.2.5.3.1 to 16.2.5.3.3, 17.2.5.3.1 to 17.2.5.3.2

Audit paras involving procedural violations including internal control weaknesses and other irregularities not considered worth reporting to the Public Accounts Committee were included in Memorandum of Departmental Accounts Committee (MFDAC) **Annexure-A**.

g) Recommendations

PAOs of District Education Authorities are required to:

- i. Produce auditable record and take action against the persons responsible for non-production of record.
- ii. Hold Inquiries and fixing responsibility for fraud, misappropriation, losses and wasteful expenditure.
- iii. Maintain necessary auditable record and take action against the persons responsible for non-maintenance of record.
- iv. Comply with the Punjab Procurement Rules for economical and rational purchases of goods and services.
- v. Make efforts for expediting the realization of various Government receipts.
- vi. Ensure establishment of internal control system and proper implementation of the monitoring system.
- vii. Rationalize budget with respect to utilization.

⁵ Para No. 1.2.5.4.1 to 1.2.5.4.13, 2.2.5.3.1 to 2.2.5.3.5, 3.2.5.4.1, 4.2.5.4.1, 8.2.5.3.1 to 8.2.5.3.12, 9.2.5.3.1 to 9.2.5.3.23, 10.2.5.4.1 to 10.2.5.4.9, 11.2.5.4.1 to 11.2.5.4.11, 12.2.5.4.1 to 12.2.5.4.7, 13.2.5.4.1 to 13.2.5.4.6, 14.2.5.5.1 to 14.2.5.5.6, 15.2.5.4.1 to 15.2.5.4.2, 16.2.5.4.1 to 16.2.5.4.4, 17.2.5.4.1 to 17.2.5.4.8

Introduction

District Education Authorities were established on 01.01.2017 under Punjab Local Government Act 2013. DEA is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

CEO is the Principal Accounting Officer of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the DEA Group of Offices is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

DEAs manage following administrative offices and educational institutes in 17 districts falling within the audit jurisdiction of Director General Audit, District Governments Punjab (South) viz Bahawalnagar, Bahawalpur, Chiniot, Dera Ghazi Khan, Faisalabad, Jhang, Khanewal, Layyah, Lodhran, Multan, Muzaffargarh, Pakpattan, Rahim Yar Khan, Rajanpur, Sahiwal, Toba Tek Singh and Vehari.

Description	No. of Education Institutes
Chief Executive Officer (Education)	17
District Education Officers (Secondary)	17
District Education Officers (EE-M)	17
District Education Officers (EE-W)	17
District Education Officers (Literacy)	12
District Education Officers (Special Education)	7
Deputy District Education Officers (SE) District	6
Deputy District Education Officers (EE-M)	63
Deputy District Education Officers (EE-W)	63
Higher Secondary Schools (Boys & Girls)	353
High Schools (Boys & Girls)	2654
Special Education Schools / Centres	108
Elementary Schools	4,224
Primary Schools	17,214
Mosque / Madrassa Schools	191

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Non-Development (Salary + Non-Salary)	146,745.495	129,650.270	-17,095.225	-12
Development	4,887.056	2,677.736	-2,209.320	-45
Total	151,632.551	132,328.006	-19,304.545	-13

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 2,677.736 million against an allocation of Rs 4,887.056 million for the development schemes of construction of buildings for special education, rehabilitation of dangerous classrooms, provision of missing facilities, construction of district education complex and provision of IT labs in high schools. The said development schemes could not be completed and an amount of Rs 2,209.320.254 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Funds amounting to Rs 19,304.545 million lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statement (Certification Audit 2019-20)

The Appropriation Accounts and Financial Statements of DEAs for the financial year 2018-19 properly present, in all material respects, the financial position of the District Education Authorities, as at 30th June 2019.

During Certification Audit of DEAs for the Audit Year 2019-20, it was noticed that the figures reported in the Financial Statements were either understated or overstated. The cash closing balances with State Bank of Pakistan and Financial

Statements remained un-reconciled till close of the financial year. HR related allowances were paid which were not admissible to the employees.

The following issues surfaced during Certification Audit of District Education Authorities.

- Non-reconciliation of figures of payments, receipts and cash balance as per the Appropriation Accounts, Financial Statements and Bank Statements - Rs 211.819 million
- Difference in budget figures as per financial statement, appropriation accounts and SAP data - Rs 3,565.299 million
- Wrong booking of receipts - Rs 3.928 million
- Under statement of tax receipts - Rs 2.223 million
- Unjustified inverse balance of cash and receivables – Rs 217.324 million
- Non reporting of fixed assets - Rs 486.319 million

These issues were discussed in the audit closing meeting and commitment to take remedial measures was made by the Accountant General and Finance Department Punjab.

ii. Analysis of Targets and Achievements

Sectoral analysis of DEAs was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improvement in admissions of students and retention, zero tolerance to drop out, improvement in provision of missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicators	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Core Indicators	1	Students attendance (K-12)	90	92	Achieved

Indicators	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
	2	Teacher Presence	90	96	Achieved
	3	Head Teacher Presence	88	93	Achieved
	4	Availability of boundary wall	88	95	Achieved
	5	Availability of drinking Water	93	97	Achieved
	6	Availability of Furniture	69	65	Not Achieved
	7	Classrooms observations	79	91	Achieved
	Infrastructure Indicators	8	Safe Building	94	94
9		NSB Time Lines	85	19	Not Achieved
10		NSB Utilization	88	82	Not Achieved
11		Data Health	55	56	Achieved
12		Sufficiency of Toilets	68	75	Achieved
Retention Indicators	13	Retention (K-12)	95	95	Achieved
Monitoring & Management Indicators	14	School Hygiene	80	83	Achieved
	15	Partial Facility	1	1	Achieved
Hotline Complaints Resolution Indicator	16	On Time resolution	88	91	Achieved

Source: Data received from CEOs (DEA)

iii. Service Delivery Issues

From the Data analysis of DEAs following service delivery issues were observed:

- Availability of furniture was targeted 69%, while it could be achieved 65%, student could not avail class room furniture despite provision of non-salary budget.
- NSB utilization was targeted to be 88%, while it could be achieved 82%.
- NSB time Lines was targeted to be 85%, while it could be achieved 19%.

iv. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- i. Non-Production of Record worth Rs 9,265.687 million was reported in 14 case.
- ii. Fraud and Misappropriations involving an amount of Rs 6.734 million were reported in five cases
- iii. Irregularities amounting to Rs 23,783.118 million were noticed in 261 cases.
- iv. Value for Money and Service Delivery Issues involving Rs 1,389.661 million were noticed in 51 cases
- v. Other issues involving an amount of Rs 47,043.591 million were noticed in 117 cases.

v. Expectation Analysis and Remedial Measures

District Education Authorities

CEOs (DEA) did not achieve its overall targets regarding availability of furniture, NSB utilization and NSB Time Lines. The management failed in provision of furniture and Utilization of NSB funds. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and probity in use of development and non-development funds. Moreover, this can be checked by holding accountable those who are responsible for such irregularities at appropriate forums.
- Efforts should be made for utilization of NSB within time limits.
- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

1. District Education Authority Bahawalnagar

CHAPTER 1

Public Financial Management Issues

Regional Directorate of Audit, District Governments Bahawalpur conducts Financial Attest Audit of the District Accounts Office Bahawalnagar on annual basis.

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the target as assigned to the PAO by the Government of Punjab Financial resources as given below were made available to CEO DEA during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+)	% (Lapse)
			/ Lapse (-)	
Salary	6,034.796	8,679.759	2,644.963	43.83%
Non-Salary	3,232.226	1,272.712	-1,959.514	-60.62%
Development	162.302	160.817	-1.484	-0.91%
Total	9,429.323	10,113.288	683.965	7.25%
Receipts	0	0		

***Source: Appropriation Accounts**

Development includes expenditure against allocation for different schemes i.e construction of dangerous buildings, provision of missing facilities and provision of IT labs in various schools. Funds could not be promptly used resulting in lapse of Rs 1.484 million during 2018-19.

In non-development excess expenditure of Rs 685.449 million was booked than budget due to wrong booking of budget allocation in SAP data.

Financial data shows that funds were not utilized to achieve the targets. An amount of Rs 683.695 million was utilized in excess of allocated budget due to inefficient management.

Analysis of Appropriation Accounts and Financial Statement (Certification Audit 2019-20)

The Appropriation Accounts and Financial Statements of DEA Bahawalnagar for the financial year 2018-19 properly present, in all material respects, the financial position of the District Education Authority, Bahawalnagar as of 30th June 2019.

During Certification Audit of DEA Bahawalnagar for the Audit Year 2019-20, it was noticed that cash closing balances in the monthly SBD (State Bank Deposits) statement, financial statement and local bank branch statements remained un-reconciled till close of the financial year. Furthermore, the contractors' bills were booked by the DAO on net basis instead of gross amount.

The following issues were surfaced during Certification Audit of District Education Authority Bahawalnagar:

- Un-Reconciled Difference between payments and receipts of Financial Statement and Bank Statement – Rs 46.399 million
- Difference of budget and expenditure between appropriation Accounts and SAP Data - Rs 104.826 million
- Incorrect Reporting of Assets – Rs 0.555 million

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department Punjab.

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Bahawalnagar was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab Monitoring Information Unit) being part of CM Roadmap 2014. The objectives of Roadmap were to improve education standards through improved environment, improved ratio of admission of students & their retention, zero tolerance to drop out, improvement of missing facilities in schools and improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicators	Sr. No.	Sub Indicators	Target 2018-19	Achievement 2018-19	Remarks
Core Indicators	1	Students Attendance	90%	93.33	Achieved
	2	Teacher Presence	90%	94.25	Achieved
	3	Head Teacher Presence	90%	93.7	Achieved
	4	Availability of Boundary Wall	68%	95.67	Achieved
	5	Availability of Drinking Water	95%	98.37	Achieved
	6	Availability of Furniture	70%	32.62	Not Achieved
	7	Classroom Observation	80%	91.83	Achieved
Infrastructure Indicators	8	Safe Buildings	98%	99.19	Achieved
	9	NSB Timelines(Non Salary Budget)	90%	10.47	Not Achieved
	10	NSB Utilizations	90%	38.72	Not Achieved
	11	Sufficiency of Toilet	65.80%	58.26	Not Achieved
	12	Retention (Kachi-12)	97%	95.54	Achieved
Monitoring & Management Indicators	13	School Hygiene	80%	69.27	Not Achieved
	14	On time Resolution	90%	96	Achieved

*Source: Data received from CEO (DEA)

iii. Service Delivery Issues

From the data analysis of DEA Bahawalnagar, the following service delivery issues were observed:

- Furniture availability was targeted to be as 98%, while it could be achieved only 32.62% and students could not avail class room furniture despite provision of huge non-salary budget.
- Funds releasing timelines was targeted to be as 90%, while it could be achieved only 10.47%. Delay in release of funds to the end user caused major hindrance in achievement of targets
- NSB utilization was targeted to be as 90%, while it could be achieved only 10.47% and purpose of the same could not be achieved depriving the schools for availability of necessary things and blockage of funds in no vain

- Sufficiency of toilet blocks was targeted to be %65.80 while it could be achieved only 58.26% creating risky and unhealthy environment in the schools.
- School Hygiene was targeted to be as 80%, while it could be achieved only 69.27%

iv. Serious Financial Irregularities and Findings

- Non-production of record worth Rs 164.384 million was reported in 01 case
- Irregularities of rules amounting to Rs 110.963 million were noticed in 13 cases.
- Value for money and service delivery issues amounting to Rs 169.307 were notice in 07 cases
- Others matter involving an amount of Rs 10,600.096 million were noticed in 13 cases.

v. Expectation Analysis and remedial Measures

District Education Authority

CEO (DEA) Bahawalnagar did not achieve its overall targets regarding availability of furniture, utilization of NSB funds, availability of sufficient toilets and provision of healthy environment in schools.

The management failed in optimal utilization of NSB funds. The above mentioned facts indicate that administration failed to deliver their best to achieve targets.

Suggestions / Remedial Measures

- Strengthening the internal controls, adopting and following strong regulatory framework, fair tendering and judicious use of funds.
- Shortage of teaching staff at different levels should be overcome.
- Timely utilization of NSB funds.

- Taking steps towards provision of furniture in every school.
- Ensuring safe and healthy environment for the students.
- Releasing specific funds for construction of toilet blocks.
- Taking steps towards healthy environment at schools by creating friendly atmosphere.

(Rupees in million)

Sr. No.	Description	Total No.	Audited	Expenditure audited F.Y 2018-19	Revenue / Receipts audited F.Y 2018-19
1	Formations	233	08	680.232	-
2	Assignments Accounts	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	01	01	680.232	-
4	Foreign Aided Projects (FAP)	-	-	-	-

Following observations were surfaced during audit of financial year 2018-19.

1.1.1 AUDIT PARAS

1.1.1.1 Difference between Financial Statement and Bank Statement – Rs 46.399 million

Risk Categorization: High

Criteria

According to paras 2.2.2.9 & 6.3.4.2 of APPM, the District Accounts Officers are responsible for the accounting functions of the districts and every DAO shall prepare a monthly reconciliation statement for expenditure and receipts.

Observation:

During the course of Certification Audit of District Accounts Office Bahawalnagar for the financial year 2018-19, difference was noted in the bank statements and financial statements of District Education Authority (DEA)

Bahawalnagar under the head receipts and payments as detailed in table below which needed justification. Furthermore, there was no reconciliation on record. Detail is given below:

(Amount in rupees)

Government	Description	As per Statement of Cash Receipts and Payments i.e. Financial Statement for the year 2018-19 (Page No 1)	As per SBD statement for the year 2018-19	Difference
Education	Receipts	10,199,212,000	10,178,430,651	20,781,349
	Payments	10,113,288,000	10,138,905,997	25,617,997
Total		20,312,500,000	20,317,336,648	46,399,346

Implications:

- No clear picture of data of Financial statement
- Incorrect calculation and reporting in Financial Statement
- Chances of errors and fraud could not be ruled out

Management response:

DAO replied that as per Accounting System, the Gross Expenditure of all payments was booked on the SAP and cheques were issued regarding net payments, after making the deductions of necessary adjustments in the relevant accounts. These adjustments relating to consolidated fund and public account have different effect on the maintenance of accounts as well as receipts/ payments made by the bank. Therefore, payments shown by the bank and this office were different.

Recommendations:

Bank statements be reconciled and accurate balances be reported in the financial statements.

1.1.1.2 Difference between Appropriation Accounts and SAP Data – Rs 104.826 million

Risk Categorization: High

Criteria

According to Para 6 (e)(j)(k)(l) of Punjab District Authorities (Budget) Rules, 2017 Budget and Accounts Officer is responsible to communicate grants, through SAP-R/3, to drawing and disbursing officers and institutions of the District Authority; to monitor the receipts and expenditure of the District Authority and institutions through System SAP R/3 and to maintain schedule of establishment of the District Authority, offices and institutions.

Observation:

District Accounts Office Bahawalnagar did not monitor the budget and expenditure of DEA during 2018-19. Keeping in view the different figures reported through budget and expenditure as reflected in SAP R/3 system and appropriation account of DEA Bahawalnagar, audit observed that no proper reconciliation of figures was made. Detail is given below:

(Rupees in million)

Particulars	As per Appropriation Accounts	As per SAP System Data (BER)	Difference
Original Allocation	9,078.428	9,076.926	1.502
Supplementary Grant	356.859	358.934	2.075
Revised Budget / Final Grant	9,429.323	9,435.860	6.537
Actual Expenditure	10,113.288	10,018.576	94.712
Total			104.826

Implications

- No clear picture of data reported in appropriation account
- Incorrect preparation of appropriation account without consulting SAP data
- Authenticity of actual data could not be assessed

Management response:

DAO replied that original Budget in Appropriation Account is Rs 9,072,428,000 which is same in SAP data. However District Education Authority Bahawalnagar could not punch Supplementary / Revised Budget in SAP system due to which supplementary and Final Budget does not tally. As in some G.L Accounts Budget was not punched expenditure also did not reflect. However, in T. code, ZRP Expenditure is same as per Appropriation Account and FI DATA. ZRP is the proper T. Code for Expenditure Account.

Recommendations:

Audit recommends proper actions and correction/revision of accounts to show the clear and true amounts.

1.1.1.3 Incorrect Reporting of Assets – Rs 0.555 million

Risk Categorization: High

Criteria

According to Section 13.4.4.1 of Accounting Policies and Procedure Manual, a memorandum account for fixed assets shall be kept by the DAO to record transactions relating to fixed assets. Further, according to section 13.4.4.2 where claims are made in relation to expenditures for fixed assets, the claim voucher submitted to the DAO/AG/AGPR shall also include information on Fixed Assets Form (form 13B). 13.4.4.3 When the delegated officer in the account Section of the DAO/AG/AGPR records the expenditure, in accordance with section 4.4 of chapter 4 of this Manual, he/she shall, at the same time, also record the relevant information, as submitted with the claim voucher, in the fixed assets account (kept as a memorandum account by DDO wise). 13.4.5.2 All DAOs shall also prepare a fixed assets report, by DDO -wise, from the fixed assets account on a quarterly basis. This quarterly report, in a prescribed form (see section 2.2.7 of FRM), shall be sent to the concerned Accountant General.

Observation:

During certification audit of A/C V, it was noticed that District Accounts Officer Bahawalnagar neither prepared “Statement of Fixed Assets” for the year 2018-19 nor Fixed Assets were reported in the Balance Sheet, in violation of section 2.2.7 of the Financial Reporting Manual. Moreover, expenditure of Rs 0.555 million was booked in the accounts as A09 (Purchase of Assets), but same was not reflected in the balance sheet. Furthermore, memorandum account for fixed assets was also not prepared. Whereas, assets of education department were more than the amount mentioned above in shape of schools building, furniture & fixture, machinery and equipment etc.

Implications

- Financial statement did not show proper record
- Valuations of assets could not be maintained
- Chances of errors and fraud could not be ruled out

Management response:

Fixed Assets Module has not so far been activated in SAP by the PIFRA. As and when, it is activated, compliance will be made.

Recommendations:

It is recommended that the statement of fixed assets should be prepared on regular basis and value of fixed assets be reported properly.

CHAPTER 2

DEA Bahawalnagar

1.2.1 Introduction of the Authority

District Education Authority, Bahawalnagar was established on 01.01.2017 under Punjab Local Government Act 2013. DEA, Bahawalnagar is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue or be sued in its name.

CEO is the Principal Accounting Officer of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the DEA Group of Offices is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

DEA Bahawalnagar manages following educational facilities and institutes:

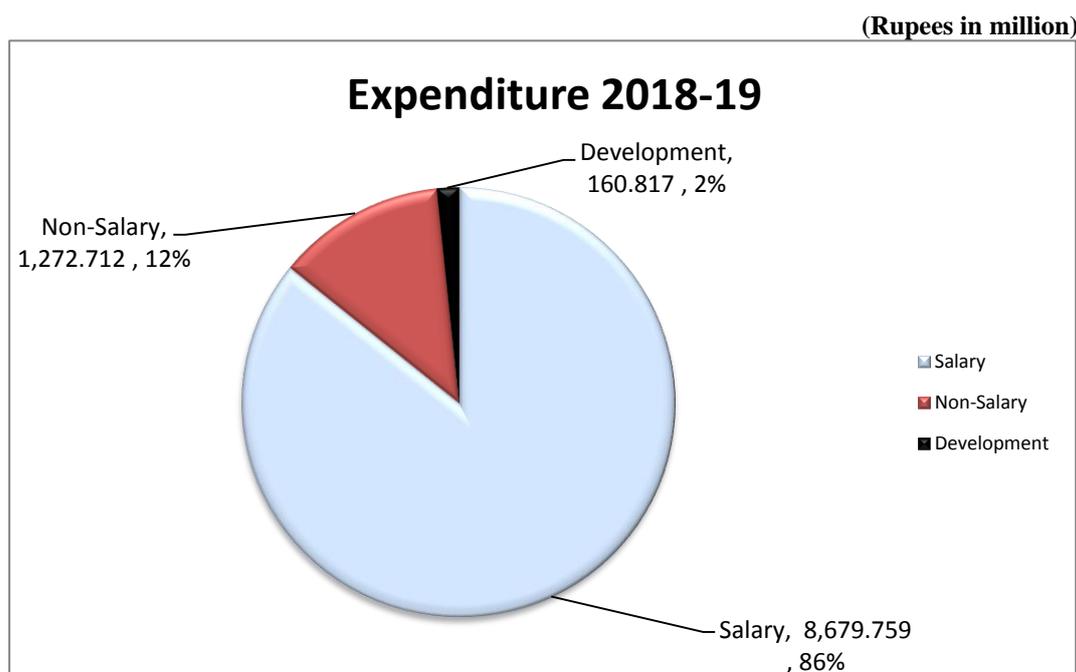
Description	No. of Education Institutes
Primary Schools	1,389
Mosque / Madrassa Schools	174
Elementary Schools	367
Higher Secondary Schools (Boys & Girls)	17
High Schools (Boys & Girls)	194
Special Education Schools / Centers	6
Deputy District Education Officers (Elementary Male)	5
Deputy District Education Officers (Elementary Female)	5
District Education Officers (Secondary)	1
District Education Officers (Elementary Male)	1
District Education Officers (Elementary Female)	1
District Education Officers (Literacy)	1
District Education Officers (Special Education)	1
Chief Executive Officer (Education)	1

1.2.2 Comments on Budget and Accounts (Variance analysis)

The detail of budget and expenditure is given below in tabulated form:

(Rupees in million)

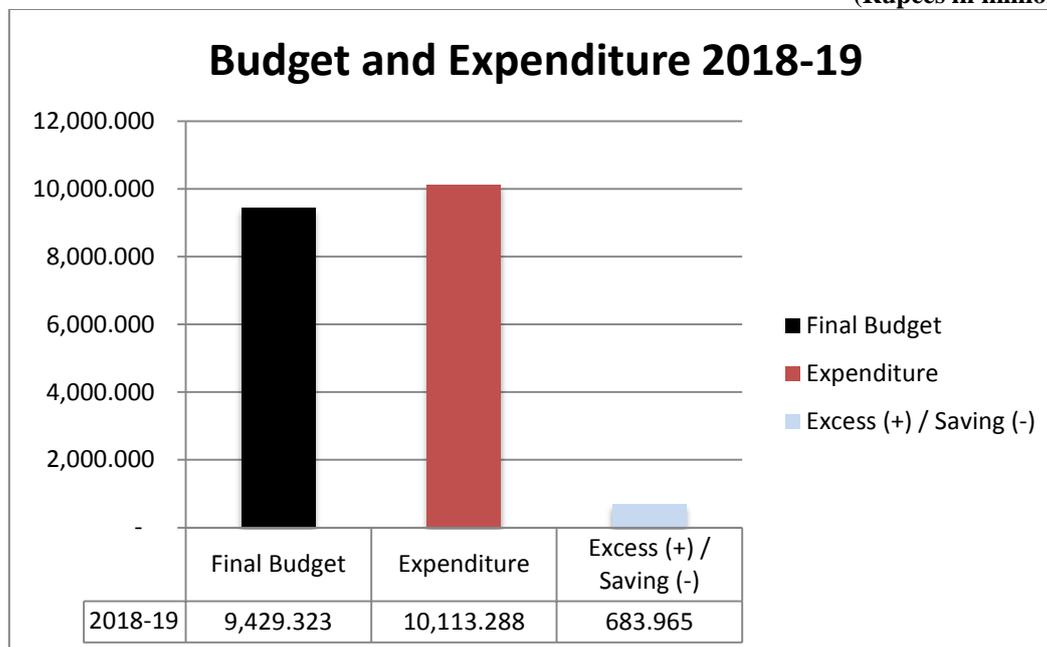
2018-19	Budget	Actual	Excess (+)	% (Lapse)
			/ Lapse (-)	
Salary	6,034.796	8,679.759	2,644.963	43.83%
Non-Salary	3,232.226	1,272.712	-1,959.514	-60.62%
Development	162.302	160.817	-1.484	-0.91%
Total	9,429.323	10,113.288	683.965	7.25%
Receipts	0	0		



As per the Appropriation Accounts for the financial year 2018-19 of the District Education Authority, Bahawalnagar, total final budget (Development & Non-Development) was Rs 9,429.323 million. Against the final budget, total expenditure of Rs 10,113.288 million was incurred by the District Education Authority during 2018-19. An excess of Rs 683.964 million came to the notice of

Audit due to inefficient financial management in release of budget. No plausible explanation of the same was provided by PAO and management of the District Education Authority (**Annexure-B**).

(Rupees in million)



1.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 11,044.750 million were raised as a result of this audit. This amount also included recoverable of Rs 40.499 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount (Rs.) ⁴
1	Non Production of record	164.384
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Irregularities	
A	HR/Employees related irregularities	75.759
B	Procurement related irregularities	34.198

Sr. No.	Classification	Amount (Rs.)⁴
C	Management of Accounts with Commercial Banks	1.006
4	Value for money and service delivery issues	169.307
5	Others	10,600.096

1.2.4 Comments on the Status of Compliance with PAC directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee so far.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	5	PAC not constituted
2	2018-19	18	PAC not constituted

1.2.5 AUDIT PARAS

1.2.5.1 Non Production of Record

1.2.5.1.1 Non production of record – Rs 164.384 million

According to Section 14 (1) (a) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance, “the Auditor General shall in connection with the performance of his duties under this ordinance, have authority to inspect accounts of any office, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts.

Various DDOs working under the control of CEO (DEA) BWN did not produce record of expenditure amounting to Rs 164.384 million incurred during financial years 2001-2019 under different objects / codes of classification. Detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (M-EE) BWN	122.697
2	GGHS Mohar Wali	0
3	Dy. DEO(M-EE) Fortabbas	13.825
4	Dy. DEO (W) Fortabbas	5.466
5	GGHS Toba Baloochan	0
6	Dy. DEO (M-EE) BWN	0.594
7	CEO (DEA)	0
8	CEO (DEA)	0.323
9	CEO (DEA)	21.479
Total		164.384

Due to weak internal controls and willful evasion from audit, record was neither properly maintained nor produced for audit verification.

Non production of record created doubts regarding legitimacy of expenditure incurred for Rs 164.384 million.

The matter was reported to CEO and DDOs concerned in October 2019. All DDOs replied that record was available which would be shown at the time of

SDAC meeting. Replies were not tenable as neither record was produced during audit nor in the DAC.

DAC in its meeting held on 04.11.19 directed to produce record for verification within a week. No further progress was intimated till finalization of this Report.

Audit recommends that desired record be produced for verification at the earliest and necessary action be initiated against the person(s) who evaded provision of record.

[AIR Para No. 33, 20, 25, 22, 14, 28, 33, 26 & 4]

1.2.5.2 Irregularities

1.2.5.2.1 Irregular drawl of pay and allowances without verification of degrees - Rs 27.931 million

According to terms & conditions of offer letters and regularization letters, payment of pay and allowances was subject to verification of educational degrees.

Dy. DEO (EE-W) Fortabbas made payment of Rs 27.931 million to eighty (80) teachers on account of salaries without verification of degrees during 2017-19 in violation of terms & conditions of appointment. Detail is given below:

(Rupees in million)

Total teachers	Basic pay in August, 17	Period (months)	Total amount
80	15,180	23	27.931

Due to negligence of management, pay and allowances were drawn without verification of educational degrees.

Drawl of pay and allowances without verification of educational degrees resulted in irregular expenditure as well as violation of rules.

The matter was reported to the CEO and DDO concerned in September, 2019. DDO replied that relevant record was available but the same was neither produced during audit nor at the time of verification.

DAC in its meeting held on 04.11.19 directed to provide verified degrees within four days. No further progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides provision of record and taking appropriate actions against the person(s) at fault.

[AIR Para No.15]

1.2.5.2.2 Irregular adjustment of PET/OT teachers as EST/ PTC Teachers – Rs 27.486 million

According to pay revision rules 1983 dated 25.08.1983, the prescribed qualification for the post of middle school teachers notified by the Finance Department was as under.

1	Middle School Teachers. BPS-09	F.A/ F.Sc with C.T or Equivalent
2	PET BPS-09	F.A with Diploma in Physical Education or Equivalent
3	Drawing Master BPS-09	FA with one year Diploma / training in drawing or Equivalent
4	SV teacher	BA/ B.Ed

Dy. DEO (EE-W) Fortabbas made payment of Rs 27.486 million to the teachers who were appointed as EST/ PST but later on they were adjusted as PET/OT/SV teachers irregularly. Detail is given below:

(Rupees in million)

Sr. No.	Name of teacher	Designation	Name of school	Date of appointing	Appointed as	Adjusted as	Adjustment on	Amount of pay
1	Sobia Maher	EST	GGMPS 287/HR	01.03.95	PET (Untrained)	EST	23.05.01	3.111
2	Musarat Bano	EST	GGES 340/HL	13.09.89	OT	EST	21.06.93	3.276
3	Qasira Shaheen	EST	GGES 258/HL	28.04.93	PET	EST	31.12.02	1.877
4	Jamila Akhter	EST	GMPS 270/HR	14.05.89	OT	PST	19.09.94	3.597
5	Shaheen Allah Dad	PST	GGPS 289/HR	28.02.95	SV	PST	31.10.96	3.250
6	Amtul Nasar	PST	GGPS 209/9-L	12.08.89	SV	PTC	15.01.99	1.375
7	Nasreen Kausar	PST	GGMPS 341/HR	31.05.89	SV	PTC	28.09.06	2.140
8	Tasneem Akhter	PST	GGES 258/HR	05.08.89	OT	PTC	12.04.99	2.938
9	Shamshed Kausar	PST	GMPS 257/HR	18.04.93	PET	PTC	22.10.99	2.672
10	Shazia Naheed	PST	GGPS 278/HR	28.02.95	OT	PTC	05.06.96	3.250
Total								27.486

Due to weak financial management adjustments were made in irregular manner without having prescribed qualification.

Irregular adjustment without having prescribed qualification resulted in irregular expenditure of Rs 27.486 million.

The matter was reported to the CEO and DDO concerned in September, 2019. DDO replied that all teachers were appointed by the competent authority and afterwards their cadres were changed as per their qualification. DDO admitted irregularity.

DAC in its meeting held on 04.11.19 directed to get the expenditure regularized from the Finance Department within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No.19]

1.2.5.2.3 Irregular incurrence of development expenditure without detailed designs and specifications – Rs 21.883 million

According to Section 4.4.1 4.4.2, 4.4.7 & 4.4.8 of financial procedure for School Councils, school council shall indicate basic needs and rank them along with preparation of form-6. Development work shall be done according to the design and specification approved by the Government and if such type of development work has to be done requiring technical guidance then School Council will submit application in writing to AEO or Dy. DEO for provision of technical guidance and relevant officers are bound for compliance and School Council shall incur development expenditure at market or lesser rates with consideration of school benefit.

Head teachers of various schools working under administrative control of four (04) DDOs incurred expenditure of Rs 21.883 million on account of construction/repair of building, soling, class rooms, boundary walls, toilet blocks etc. during 2017-19. The record showed that said works were got executed without preparation of designs detailed estimates and approval of same from the competent authority. Detail is given below: **Annexure–C/DEA BWN**

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (EE-M) BWN	9.548
2	Dy. DEO (EE-W), Fortabbas	9.418
3	DEO (EE-W) Haroonabad	1.755
4	Dy. DEO (EE-M), Fort Abbas	1.162
Total		21.883

Due to weak financial management, expenditure was incurred on civil works without prescribed requirements.

Execution of civil works without specifications and detailed estimates resulted in irregular expenditure.

The matter was reported to the CEO and DDOs concerned in August, 2019. Dy. DEO (EE-M) BWN and Fortabbas replied that a letter was issued to concerned schools for violation of schools council policy and getting the matter regularized. Dy. DEO (EE-W), Fortabbas replied that all the amount was utilized with the approval of AEO and purchase was made from sales tax registered firms. DEO (EE-W) Haroonabad replied that documents were available which would be shown. Replies were not tenable as no record was produced in support of reply.

DAC in its meeting held on 04.11.19 directed Dy. DEO (EE-M) BWN and Dy. (EE-W) Haroonabad to produce relevant record for verification within three days. In case of Dy. DEO (EE-W) Fortabbas DAC directed the DD (Budget & Accounts) to probe the matter and submit report within a month. Further, Dy. DEO (EE-M) Fortabbas was directed to get the expenditure regularized from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides detailed inquiry of the matter and fixing responsibility on the person(s) at fault.

[AIR Para No.26, 17, 15 & 17]

1.2.5.2.4 Irregular expenditure due to non-observing PPRA Rules – Rs 7.324 million

According to Rules 9 and 12 of the Punjab Procurement Rules 2009 and the Punjab Procurement Rules 2014, procuring agency shall announce proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned and annual requirements thus determined would be advertised in advance on the PPRA's website. Procurement opportunities over Rs 100,000 and upto Rs 2,000,000 shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time.

Seven (07) DDOs under administrative control of CEO (DEA) BWN incurred expenditure of Rs 7.324 million on purchase of stationery, furniture and plant & machinery during 2009-19 without observing PPRA Rules. Annual requirement of procurement opportunities was not determined and planned procurements were not advertised on PPRA's website to achieve benefits of competitive bidding. Moreover, indents were split-up to avoid fair tendering process. Detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (M-EE) Fortabbas	0.2
2	Dy. DEO (W-EE) Haroonabad	0.586
3	CEO (DEA) BWN	0.538
4	Dy. DEO(M-EE) BWN	0.391
5	Got Spec Eddo Centre Chishtian	1.069
6	Dy. DEO (W) Fortabbas	4.245
7	GGHS Mohar Wali	0.295
Total		7.324

Due to financial indiscipline, the Punjab Procurement Rules were not observed.

Non observance of the Punjab Procurement Rules resulted in irregular expenditure of Rs 7.324 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. DDOs replied that purchases were made after completing all codal formalities. Replies were not tenable as PPRA rules were violated.

DAC in its meeting held on 04.11.19 directed to get the expenditure regularized from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 19,01,06,09, 16, 16 &13]

1.2.5.2.5 Irregular payment of salaries to employees on erratic postings – Rs 7.214 million

According to the Government of the Punjab Letter No. 45 (m) 4 – 2 / 99 dated 12.08.1999 and as per directions of honourable Supreme Court of Pakistan “erratic postings are not allowed in the Education Department. Further, according to Government of the Punjab, Education Department (School Wing) letter No. SO (SEI) 1-43/2006 dated 22.08.2006, addressed to all DCOs, EDOs and DPI in Punjab, no erratic posting be made under any circumstances.

CEO (DEA) BWN and Principal Government Girls High School Mohar Wali posted sixty six (66) teachers in different cadres against irrelevant posts and made payment of Rs 7.412 million on account of salaries in violation of rules. Non cancellation of erratic postings and non- adjustment of relevant incumbents at relevant posts was a serious irregularity which affected the quality of education.

Due to non observance of rules, erratic postings were made.

Erratic postings resulted in irregular expenditure on pay & allowances of Rs 7.214 million.

The matter was reported to the CEO in October 2019. DDO replied that related documents would be provided at the time of SDAC meeting. Reply was not tenable as no record was provided.

DAC in its meeting held on 04.11.19 directed to get the expenditure regularized from the Finance Department within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault and posting of incumbents on their original posts.

[AIR Para No. 29& 8]

1.2.5.2.6 Irregular expenditure due to appointment by the Minister of Education – Rs 3.491 million

According to Government of the Punjab, S&GAD's letter No.SOR-III/6/89 dated 28.02.1989, the Ministers can appoint officials in all the posts in BPS-01 to BPS-05 of the department concerned, subject to fulfillment of all codal formalities.

Head Mistress GGHS Toba Balochan appointed a teacher as EST (BS-09) vide order No.1196/E-II dated 13.09.1989 with the direction of the Minister of Education, Government of the Punjab and made payment of Rs3.491 million on account of her salaries. The appointment was unauthorized as the Minister was competent to appoint officials in BPS 01 to BPS 05 whereas the teacher was appointed in BPS-09. **Annexure-D/DEA BWN**

Due to weak administrative controls, appointment was made in violation of government policy.

Appointment against government policy resulted in irregular expenditure of Rs 3.491 million on pay and allowances.

The matter was reported to the CEO and DDO concerned in October 2019. DDO replied that appointment was made in compliance of letter No.

US(L)(I&C) 1-32/89 dated 13.03.1989 issued from the Deputy Secretary (IMO & COOR) Govt. of the Punjab SGA&A I Department endorsed by the DPI (Schools) Punjab Lahore vide letter No. 9123/G-3, dated 12.04.1989. Reply was not tenable as minister was not empowered/competent to recommend appointment in BS-09.

DAC in its meeting held on 04.11.19 directed to get clarification of the matter from DPI (Education Department) within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the matter from the competent authority besides fixing responsibility against the person(s) at fault.

[AIR Para No.01]

1.2.5.2.7 Irregular drawl of pay & allowances without obtaining Medical Fitness Certificate – Rs 3.280 million

According to Rule 3.5 (iii), no person may be substantively appointed in Pakistan to a permanent post in Government service without a medical certificate of health in the case of a candidate for appointment to a Gazetted post, the medical certificate of health shall be signed by the standing Medical Board at Lahore or the standing Invaliding Committee at Multan and Rawalpindi.

Scrutiny of record of Deputy District Education Officer (EE-W) Haroonabad revealed that 05 AEOs were appointed by CEO (DEA) BWN and made payment of Rs3.280 million on account of salaries. The appointment orders of AEOs did not contain any term of medical fitness certificate and the same was missing in their service record. Detail is given below:

(Amount in rupees)

Sr. No.	Name of AEO	Date of Joining	Vide Order No.	Issuing Authority	Pay & Allow per month	No. of months	Total Amount
1	Amna Afzal	28.02.18	3171	CEO(DEA), Bahawalnagar	41004	16	656,064
2	Syyeda Afifa Kazmi	28.02.18	3220	CEO(DEA), Bahawalnagar	41004	16	656,064

Sr. No.	Name of AEO	Date of Joining	Vide Order No.	Issuing Authority	Pay & Allow per month	No. of months	Total Amount
3	Yasra Asghar	28.02.18	3199	CEO(DEA), Bahawalnagar	41004	16	656,064
4	Misbah Rafiq	28.02.18	3227	CEO(DEA), Bahawalnagar	41004	16	656,064
5	Saba Ashraf	28.02.18	3248	CEO(DEA), Bahawalnagar	41004	16	656,064
Total							3,280,320

Due to negligence, AEOs joined services and were paid without any medical fitness certificates.

Joining of services by AEOs without any medical fitness certificates and payment of pay and allowances resulted in irregular expenditure as well as violation of rules.

The matter was reported to the CEO and DDO concerned in August, 2019. DDO replied that appointing authority did not mention this condition relating to new Appointment of AEO's, but all got their Medical fitness Certificates issued by the MS DHQ Hospital Bahawalnagar. Reply was not tenable as medical fitness certificates were necessary for new appointees which were not on record.

DAC in its meeting held on 04.11.19 directed to hold inquiry by the CEO (DEA) to probe the matter and to report within a month. No further progress was intimated till finalization of this Report.

Audit recommends early finalization of the inquiry besides fixing responsibility against the person (s) at fault.

[AIR Para No.11]

1.2.5.2.8 Non-verification of General Sales Tax on payment – Rs 3.186 million

According to Para 4(b) of the Sales Tax Special Procedure (Withholding) Rules, 2007, the DDOs concerned shall prepare the return on prescribed format

for each month and forward the same to the Collector, by the 15th of the following month.

CEO (DEA), BWN and Dy. DEO (EE-M) Bahawalnagar made payment on account of GST for purchases of different items amounting to Rs 1.735 million and 1.451 million respectively to various suppliers during 2018-19. The record showed that 20% GST was withheld as per rule but intimation to concerned collectorate was not forwarded for verification regarding deposit of remaining 80% of GST by the supplier. **Annexure–E/DEA BWN**

Due to weak internal controls, amounts of GST deposited by the firms were not verified.

Non-verification of deposit of GST by the firms may result in loss to government.

The matter was reported to CEO and DDO concerned in August 2019. DDO replied that documents were available which would be shown at the time of SDAC. Reply was not tenable as no record was provided.

DAC in its meeting held on 04.11.19 directed to provide relevant record for verification within three days. No further progress was intimated till finalization of this Report.

Audit recommends justification of non-verification of deposit of GST by the supplier besides its verification from Sales Tax collectorate.

[AIR Para No.23&15]

1.2.5.2.9 Irregular payment of Charge Allowance to AEOs – Rs 3.154 million

According to clarification issued by Government of the Punjab, Finance Department vide letter No. FD.PR.12-7/2007 dated 05.04.2018, Assistant Education Officers appointed by initial recruitment were not entitled to the grant of charge allowance.

Following DDOs working under administrative control of CEO (DEA) BWN paid charge allowance amounting to Rs 3.154 million to AEOs and Head Teachers who were not entitled for the same as clarified vide above referred letter. Detail is given below:

(Rupees in million)				
Sr. No.	DDOs	Amount	Recovery	Balance
1	Dy. DEO (M-EE) BWN	0.599	0	0.599
2	DDEO(M-EE) Fortabbas	0.137	0	0.137
3	CEO (DEA)	2.418	0	2.418
Total		3.154	0	3.154

Due to weak internal controls, inadmissible charge allowance was paid to the AEOs.

Payment of inadmissible charge allowance to AEOs resulted in loss of Rs 3.154 million.

The matter was reported to the CEO and DDOs concerned in October 2019. DDOs replied that letter was issued to concerned AEOs regarding recovery of charge allowance. Reply was not tenable as no progress of recovery was provided for verification.

DAC in its meeting held on 04.11.19 directed to make immediate recovery and produce verified status within a week. No further progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 3.154 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No. 27, 06, & 19]

1.2.5.2.10 Overpayment of salaries to employees after retirement and death – Rs 1.869 million

According to Rule 2.33 of PFR Vol-1, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Dy. DEO (EE-M) BWN made overpayment to various employees amounting to Rs 1.869 million on account of pay and allowances. Scrutiny of the record revealed that overpayment was made to employees who were either retired or died during service. Detail is given below:

(Amount in rupees)

Sr. No.	Name of School	Name of Teacher	Designation	Personal No.	Date of Retirement, Death, Transfer	Nature of Case (Death, Retirement, Transfer)	Gross Pay	Period of Drawn Pay	Total Drawn Pay
1	GPS Mosa Bhota	Khusnooda Naz	PST	30650596	17/09/18	Medically Retired	59004	1 Month 14 days	86,539
2	GES CHAWEKA	Hafiz Abdur Rehman	SST	30636120	31/12/18	Retirement	110573	4 Months	442,292
3	GES EID GHA BWN	Abdul hameed	SST	30636087	31/10/18	Retirement	87061	8 Months	696,488
4	GES BILU KA HITAR	MUHAMMAD YAAR	C-IV	30954818	26/09/18	DEATH	29281	1 Month	29,281
5	GES KOT FATH MUHAMMAD SHAH	MUHAMMAD SHAFIQUE	AT	30636042	30/9/17	DEATH	49332	11 Months	614,586
Total									1,869,186

Due to weak internal controls, payments were made after retirement and death.

Payment after retirement and death to various employees resulted in overpayment of Rs 1.869 million.

The matter was reported to CEO and DDO concerned in October 2019. DDO replied that a letter was issued regarding overpayment of salaries to employees for lump sum recovery. Reply was not tenable as no recovery was effected.

DAC in its meeting held on 04.11.19 directed to effect recovery and produce verified status within a week. No further progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.869 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No.12]

1.2.5.2.11 Unjustified cash payment instead of cheques – Rs 1.805 million

According to Rule 4 (1) (a) of the Punjab District Authorities (Accounts) Rules 2017, the mode of making payment from local fund of a District Authority shall be that the payment upto rupees one thousand may be made in cash.

Head Mistress GGHS Mohar Wali, District BWN made payment of Rs 1.805 million for the period 2015-19 to the suppliers / firms through cash instead of payment through cheques in violation of above rule.

Due to weak financial management, payments were made through cash instead of crossed cheques.

Making payments through cash instead of crossed cheques resulted in violation of rules.

The matter was reported to the CEO and DDO concerned in September, 2019. DDO replied that as per requirement of the audit, case for regularization was submitted to the competent authority and compliance would be shown soon. DDO admitted irregularity in reply but no progress was shown.

DAC in its meeting held on 04.11.19 directed to get the expenditure regularized from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No.17]

1.2.5.2.12 Non-performing duties of Community mobilization by AEOs – Rs 1.334 million

According to Sr. number 6.3, 6.4 and 6.5 of letter No.SO(SE-III)226/2017 dated 12.09.2017 issued by School Education Department Government of Punjab, regarding notified Job description (JDs) / function of AEOs, they were also required to perform as community mobilizers.

The record of Dy. District Officer Education (E.E.W) Haroonabad revealed that AEOs failed to perform their duties of community mobilizer in violation of above circulated letter. These AEOs drew extra duty allowance during 2018-19 but no activity regarding close interaction with members of school council, parents, local community of area of school and improvement in education in each school through their interaction was performed by any AEO.

Annexure-F/DEA BWN

Due to negligence of the department, function of community mobilization was not performed by the AEOs.

Non-performing of community mobilization function resulted in violation of terms of appointment.

The matter was reported to CEO and DDO concerned in September 2019. DDO replied that the AEO's concerned were directed to deposit the amount of extra duty Allowance. Reply being irrelevant was not tenable and also no record was produced for verification.

DAC in its meeting held on 04.11.19 directed to provide relevant verified records for verification within a week. No further progress was intimated till finalization of this Report.

Audit recommends performing such activity by AEOs besides fixing responsibility on the person(s) at fault.

[AIR Para No.20]

1.2.5.2.13 Unauthorized retention of public money as cash in hands - Rs 1.006 million

According to Rule 27 (2)(d) of PLGO (Accounts) Rules 2017, "No Cheque shall be drawn or en-cashed nor any amount shall be withdrawn except for immediate disbursement".

Various schools under administrative control of Dy. DEO (EE-W) Fortabbas drew cash amounting to Rs 1.006 million. DDO did not take notice that

the head mistress / incharge of various schools drawn cash out of NSB funds but the same were remained unutilized during 2017-19. Detail is given below:

(Amount in rupees)

Sr. No.	Name of school	Markaz	Amount	Remarks
1	GMPS 277/HR E	8	155,740	Rs 44870 was cash in hand in June 2018 but august 18 RS 55000 again drawn, after expense Rs 55870 cash in hand available In last days of august.
2	GGPS 177/7R	3	162,267	Cash was available on 30-06-2019.
3	GGPS 289/HR	12	16,500	In February 2018 cash Rs 16500 is drawn from NSB account but expense in May 2018.
4	GGES 339 HR	15	19,299	Cash was available on 30-06-2019.
5	GGPS 181/7r east	4	181,487	RS 99616 cash in hand was available in august 2017, in April 2018 Rs 81871 cash in hand was available.
6	GGPS 273/HR	9	100,000	On 14-12-2017 and 05-01-2018 cash drawn from bank and expense in February 2019.
7	GGPS 270/HR East	9	80,000	in august 2018 cash in hand RS 40000 was available in September cash Rs 40,000 again drawn but not expensed yet
8	GGPS 235/9-R	7	60,000	Cash drawn on 09.10.17 and expensed during May 18. no approval in SC meeting either
9	GMPS 236/9-R	6	231,080	Cash drawn during March 19 not expensed till June 19, drew cash once again in June and total balance on 30.06.19 Rs 141080
Total			1,006,373	

Due to weak financial and administrative controls, amount was drawn without requirement of immediate disbursement.

Drawl of cash without requirement of immediate disbursement, chances of misuse of public money could not be ruled out.

The matter was reported to CEO and DDO concerned in September 2019. DDO replied that matter was under investigation and compliance would be shown later. No progress was shown to audit for verification.

DAC in its meeting held on 04.11.19 directed to hold inquiry by the CEO (DEA) to probe the matter and to produce report of that within 15 days. No further progress was intimated till finalization of this Report.

Audit recommends early finalization of the inquiry besides appropriate actions against the person(s) at fault.

[AIR Para No.21]

1.2.5.3 Value for money and service delivery issues

1.2.5.3.1 Unauthentic expenditure on development works – Rs 118.299 million

According to Rules 35, 38, 39 & 41 of the Punjab District Authorities (Accounts) Rules, 2017, the DDO shall record the payments of District Authority and its institutions in register in Form LA-11 for development expenditure and maintain cash book in Form LA-13 for receipts and disbursements. No payment for works shall be made unless administrative approval has been obtained, technical sanction of detailed designs and estimates has been accorded by a sanctioning authority, funds has been provided in the budget and the DDOs and Head of offices shall ensure that the claims submitted for payment are valid for works, actually executed at site in accordance with specification and agreed quantity to the satisfaction of DDO and entered in the relevant books or accounts. The CEO shall visit not less than 20% of the projects being funded through ADP and the planning officer shall visit regularly major development projects. The PC-IV signed by the head of offices and institutions shall be mandatory for all the projects.

CEO (DEA) BWN incurred expenditure of Rs 118.299 million from Account V during 2018-19 by showing execution of works through Executive Engineers Buildings Divisions, Bahawalnagar. However, genuineness of claims could not be ascertained due to non maintenance of cash book, scheme wise detailed designs & estimates, technical sanctions, budget releases, expenditure incurred, physical progress reports, vouchers / claims, evidences regarding mandatory inspections and completion certificates.

Due to poor monitoring mechanism, funds were utilized without maintaining proper record.

Utilization of funds without maintaining record resulted in unauthentic expenditure of Rs 118.299 million.

The matter was reported to CEO in August 2019. DDO replied that since the establishment of District Education Authority, no staff was appointed in planning wing of DEA. However, a letter was written to Building Department and all the record was available. Reply being irrelevant was not tenable.

DAC in its meeting held on 04.11.19 decided to keep the para pending for compliance. No further progress was intimated till finalization of this Report.

Audit recommends investigation of the matter besides fixing responsibility on the person(s) at fault.

[AIR Para No. 07]

1.2.5.3.2 Irregular expenditure on District Public School buildings – Rs 20.250 million

According to Rule 11 (1) (f) of the Punjab District Authorities (Accounts) Rules 2017, the CEO shall be responsible for proper maintenance of departmental accounts and financial discipline of a District Authority, subordinate offices and institutions and shall be responsible for arranging internal controls in a District Authority.

CEO (DEA) BWN made releases for execution of development schemes of two DPS (District Public School, Bahawalnagar and Minchinabad) of Rs 20.250 million during 2018-19. Such releases of fund and incurring of expenditure was subject to following observations:

- i. Funds were provided without provision in Local government Act, 2013 amended upto 2017 and Act, 2019.
- ii. Minutes of meeting of governing board of DPS were not available to ascertain the factual position of CEO.
- iii. Scheme of DPS Minchinabad was started on 24.05.2016 for Rs 28.431 million and expenditure of Rs 7.477 million was incurred on construction of boundary wall. Remaining work was stopped and work was pending since three years resulting in wastage of public

fund. Further, cost of the scheme also increased by almost 40% due to inflation and other factors.

(Rupees in million)

Sr. No.	ADP No.	Tehsil Name	Name of Scheme (F.Y 2018-19)	Approved Cost	Approved Date	Agreement Amount	Date of Completion	Total Exp upto June 2019	Status of Work
5	501	Minehin Abad	CONSTRUCTION OF NEW BUILDING FOR DPS MINCHANABAD, BAHAWALNAGAR	29.325	7/31/15	28.431	11/23/17	7.523	DOS 24.05.2016 DOC 23.11.2017 i) Work was allotted on 24.05.2016 for Rs. 28.431 (M) ii) B/Wall Completed with expenditure of Rs. 7.477 (M)
9	939	Bahawalnagar	Construction Of Multi Purpose Hall/Examination Hall Dps District Bahawalnagar	18.871	8/3/17	13.615	9/14/18	12.727	Flooring in Progress
Total				48.196		42.046		20.250	

Due to financial indiscipline, expenditure was incurred in violation of government rules.

Incurring expenditure in violation of government rules resulted in irregular payment of Rs 20.250 million.

The matter was reported to the CEO in August 2019. DDO replied that these schemes were commenced before the establishment of DEA. Reply was not tenable as no record was produced.

DAC in its meeting held on 04.11.19 decided to keep the para pending for compliance. No further progress was intimated till finalization of this Report.

Audit recommends enquiry besides fixing responsibility on the person (s) at fault.

[AIR Para No.21]

1.2.5.3.3 Incurring expenditure from NSB without assurance of school council members – Rs 13.941 million

According to Section 4.3.1 i.e members of the school councils will visit the school on different intervals and enter their observations and suggestions about expenditure made from NSB for improvement of school.

Various schools working under the administrative control of Dy. DEO (EE-M) BWN incurred expenditure from NSB fund amounting to Rs 13.941 million on account of construction of school buildings i.e classrooms, washrooms and boundary walls etc during 2016-19 in unjustified manner. As per above condition, members of the school councils were required to visit the school on different intervals and record their observations / suggestions about expenditure made from NSB for improvement of school but no such data was available in any school for comparison.

Due to weak internal controls, NSB fund was utilized without proper monitoring of school council.

Incurring of expenditure without proper monitoring of school council resulted in violation of instructions.

The matter was reported to CEO and DDO concerned in August, 2019. DDO replied that a letter was issued to concerned schools regarding incurring of expenditure from NSB as per guidelines of school council policy. Reply was not tenable as no progress was shown for verification.

DAC in its meeting held on 04.11.19 directed to hold inquiry by the Principal Govt. Comprehensive School for Boys to probe the matter and report within a month. No further progress was intimated till finalization of this Report.

Audit recommends early completion of inquiry of the matter besides fixing responsibility against the person(s) at fault.

[AIR Para No.32]

1.2.5.3.4 Non-utilization of NSB fund – Rs 9.751 million

According to Rule 2.33 of PFR Vol-I, every Government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the Government through fraud or negligence on his part.

Various schools under jurisdiction of Dy.DEO (M-EE) BWN did not utilize NSB funds amounting to Rs 9.751 million during 2018-19. Due to non utilization of funds, Government money was blocked and students were also deprived from the benefit of devolution plan.

Due to weak financial controls and weak monitoring, NSB fund was not utilized.

Non utilization of NSB fund resulted in blockage of public money of Rs 9.751 million.

The matter was reported to the CEO and DDO concerned in August, 2019. DDO replied that a letter was issued to the concerned heads of schools to utilize the NSB fund. Reply was not tenable as no progress was shown for verification.

DAC in its meeting held on 04.11.19 directed to get the irregularity condoned from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the matter from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No.18]

1.2.5.3.5 Unjustified provision of funds to dangerous school buildings – Rs 4.245 million

According to Rule 2.33 of PFR volume-I every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or

negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

Dy. DEO (EE-W) HND released NSB funds amounting to Rs 4.245 million to primary and elementary schools which were declared as dangerous building. Detail is given in **Annexure–G/DEA BWN**.

Due to weak internal controls and weak monitoring, funds were released to dangerous buildings.

Release of funds to dangerous buildings resulted in unjustified expenditure of Rs 4.245 million.

The matter was reported to the CEO and DDO concerned in September 2019. DDO replied that budget was allocated by the Govt. for minor repair of buildings. Reply was not tenable as no record was produced for verification.

DAC in its meeting held on 04.11.19 directed to provide relevant record for verification within three days. No further progress was intimated till finalization of this Report.

Audit recommends provision of relevant record besides fixing responsibility against the person (s) at fault.

[AIR Para No.18]

1.2.5.3.6 Non recovery of government funds from schools shifted to PEF – Rs 1.579 million

According to Rule 2.33 of PFR volume-I every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

Various schools under administrative control of Dy. DEOs (EE-W) Haroonabad and Dy. DEO (EE-M) BWN were shifted to Punjab Education

Foundation (PEF) having funds of Rs 1.579 million in their accounts but same were not transferred to government treasury. Detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	DDEO (M) Bahawalnagar	1.367
2	DDEO (W) Haroonabad	0.212
Total		1.579

Due to weak internal controls, funds were not transferred to Government treasury.

Non transferring of funds to the government treasury resulted in loss of Rs 1.579 million.

The matter was reported to CEO and DDOs concerned in October 2019. DDOs replied that letters were issued for transferred of funds but no progress was shown.

DAC in its meeting held on 04.11.19 decided to keep the para pending till decision of School Education Department Govt. of the Punjab Lahore within a month. No further progress was intimated till finalization of this Report.

Audit recommends transferring funds to relevant accounts, besides fixing responsibility on person(s) at fault.

[AIR Para No. 5&3]

1.2.5.3.7 Excess expenditure beyond financial limit – Rs 1.242 million

According to Para 4.9.1 read with Para 4.8.1 of the School Council Policy, 2007, School Council was authorized to incur expenditure for the prescribed purposes upto Rs 400,000 during a financial year.

School Councils under administrative control of Dy. DEO (EE-M) BWN incurred expenditure of Rs 1.242 million in excess of authorized limit of Rs 400,000 in a financial year on various activities including civil works in violation of above rule. Detail is given below:

(Amount in rupees)

Sr. No.	Name of School	Markaz No.	Period	Amount	Limit	Excess
1	GES HAFIZ ABAD	06	2018-19	593,435	400,000	193,435
2	GES MEHBOOB KOT	14	2018-19	433,452	400,000	33,452
3	GES MODEL TOWN	08	2018-19	439,862	400,000	39,862
4	GES NATHU DHAKA	01	2018-19	547,137	400,000	147,137
5	GES SURAJ GUNJ	10	2018-19	599,557	400,000	199,557
6	GES BAIR WALA	10	2016-17	429,642	400,000	29,642
7	GES BILUKA HITTAR	12	2016-17	486,838	400,000	86,838
8	GES CHAK HOTIYANA	04	2018-19	653,496	400,000	253,496
9	GPS DARBAR SHIEKH JAMAL	04	2017-18	658,728	400,000	258,728
Total				4,842,147	3,600,000	1,242,147

Due to weak financial controls, expenditure was incurred in excess of authorized limit.

Expenditure in excess of authorized limit resulted in irregular expenditure amounting to Rs 1.242 million.

The matter was reported to CEO and DDO concerned in August 2019. DDO replied that a letter was issued to the concerned regarding incurring of expenditure beyond the authorized financial limit. Reply was not tenable as no concrete action was shown against the heads of schools for such irregularity.

DAC in its meeting held on 04.11.19 directed to get the expenditure regularized from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No.03]

1.2.5.4 Others

1.2.5.4.1 Non-maintenance of cash book of DEA – Rs 9,274.891 million

According to Rule 12 (a) (b) (i) (iii) (iv) of Punjab District Authorities (Accounts) Rules, 2017 the budget and accounts officer shall maintain the accounts of a District Authority. Monitor the expenditure of the office of a District Authority against the approved budget, maintain and examine appropriation control register for each object of expenditure and record necessary entries of each transaction in the register. Maintain drawing and disbursing officer's cash book of receipt and expenditure and general cash book of a District Authority.

CEO (DEA) BWN did not maintain general cash book of receipts and expenditure of DEA for the period 2018-19 in violation of above rule. As per SAP data DEA BWN incurred expenditure of Rs 9,274.891 million as summarized below:

(Rupees in million)		
Major Head	Description	Expenditure incurred
A01	Employee Related Expenditure	8,823.233
A03	Operating Expenditure	61.323
A04	Pension Contribution and retirement benefits	183.028
A05	Grants	81.000
A06	Transfer Payments	4.768
A09	Purchase of Physical Assets	0.312
A12	Expenditure on Civil Works	118.299
A13	Repair and Maintenance	2.928
Total		9,274.891

Due to financial indiscipline, cash book of DEA was not maintained.

Non-maintenance of cash book resulted in violation of rules.

The matter was reported to CEO in August, 2019. DDO replied that compliance would be shown soon. DDO accepted the version of audit but no compliance was made.

DAC in its meeting held on 04.11.19 directed to produce record for verification within a week. No further progress was intimated till finalization of this Report.

Audit recommends fixing responsibility besides appropriate actions against the person(s) at fault.

[AIR Para No. 11]

1.2.5.4.2 Excess expenditure than the allocated budget – Rs 1,082.136 million

According to Sr.No. 2 (iii) of Notification NO.SO(TT) 6-I/2019 of the Government of the Punjab Finance Department, Lahore dated 23.05.2019 about observance of financial discipline in the Province especially during the month of June, no excess expenditure is allowed over the allocated budget.

CEO (DEA) BWN incurred excess expenditure of Rs 1,082.136 million than the allocated budget of Rs 8,871.960 million for the year 2018-19. The record showed that excess and surrender statements were not timely prepared by the authority. Incurring of expenditure in excess of allocation meant expenditure without budget, as revision of budget was made after two months from closing of financial year.

Due to financial indiscipline, excess expenditure was incurred than allocated budget.

Incurring of excess expenditure than allocated budget resulted in irregular expenditure of Rs 1,082.136 million.

The matter was reported to CEO in August 2019. DDO replied that related documents would be provided at the time of SDAC meeting. Reply was not tenable as no record was provided in support of reply.

DAC in its meeting held on 04.11.19 directed to get the expenditure regularized from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 20]

1.2.5.4.3 Irregular drawl of arrears without provision of additional budget – Rs 167.348 million

According to Rule 2.27 of PFR Vol-1, no payment of pay and allowances is made on account of arrear of pay and allowances until additional budget hereby caused has been duly sanctioned and provided in the budget estimates.

During audit of DEA Bahawalnagar, it was observed that employees of various DDOs drew arrear bills amounting to Rs 167.348 million from government treasury on account of pay and allowances without obtaining additional budget during 2018-19 in violation of above rule. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	CEO(DEA)BWN	Pay and Allowances	134.150
2	Dy. DEO (M-EE) BWN	Pay and Allowances	9.814
3	Got Special Eddo Centre Chishtian	Pay and Allowances	0.821
4	DDEO (M) Fortabbas	Pay and Allowances	13.825
5	Dy. DEO (W) Haroonabad	Contingent bills	8.163
6	GGHS Toba Baloochan	Pay and Allowances	0.575
Total			167.348

Due to weak financial management, arrear bills were drawn without availability of additional budget.

Drawl of arrear bills without availability of additional budget resulted in irregular payments.

The matter was reported to CEO and DDOs concerned in September, 2019. CEO (DEA) replied that the record would be provided at the time of SDAC matting but no record was provided. All remaining DDOs replied that additional

budget was demanded through access and surrender. According to demand the budget was revised with additional grant. Replies were not tenable as no records were produced in support of replies.

DAC in its meeting held on 04.11.19 directed to get the expenditure regularized from the Finance Department within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 15, 30, 04, 04, 05 & 13]

1.2.5.4.4 Unjustified expenditure on account of Inspection Allowance to the AEOs – Rs 26.971 million

According to the Government of the Punjab, School Education Department's letter No. SO (ADP) MISC 409-2012 dated 29.08.2012, Inspection Allowance shall be payable on the basis of at least inspections of 50 schools in a month. In case of less than 50 inspections, it shall be claimed @ Rs 100 per school inspection. Moreover, according to the instructions issued by the Government of the Punjab, Education Department Lahore, SMC account should be checked, verified 100% by the AEO and 50% by the Deputy District Education Officer every year.

Four (04) DDOs working under the control of CEO (DEA) BWN incurred expenditure of Rs 26.971 million on account of Inspection Allowance @Rs 10,000 per month to AEOs. Appropriate record (i.e. form 6 showing approval incurring expenditure out of SMC grants, verification / signatures on attendance registers etc.) for expenditure was not available to confirm that inspection of 100% schools of the areas was carried out in each month. Detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (M-EE) BWN	5.478
2	Dy. DEO (M) Fortabbas	1.2

3	Dy. DEO (M) Fortabbas	3.712
4	Dy. DEO (W) Fortabbas	0.11
5	CEO (DEA)	16.471
Total		26.971

Due to weak financial controls, Inspection Allowance was granted without conducting Inspection of 100% schools.

Grant of Inspection Allowance without conducting inspection of 100% schools resulted in loss of Rs 26.971 million.

The matter was reported to CEO and DDOs concerned in October 2019. DDOs replied that letters were issued to the concerned for lump sum recovery. Replies were not tenable as department did not produce any record in support of reply i.e bills of inspection allowance as per performance indicators duly approved by the competent authorities.

DAC in its meeting held on 04.11.19 decided to keep the para pending for provision of relevant record for verification within a week. No further progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 26.971 million from the concerned besides fixing responsibility on the person (s) at fault.

[AIR Para No. 1,5,8,13& 14]

1.2.5.4.5 Unauthorized expenditure due to appointment of teachers below Prescribed Qualification – Rs 15.963 million

According to the Notification No.FD.PC. 2 – 1 / 83 dated 25.08.1983, issued by the Finance Department, Government of the Punjab, prescribed qualifications for the posts of EST, PET and D.M were FA/F.Sc with diploma in relevant field.

Following two (02) DDOs appointed different PTC teachers below prescribed qualification whereas the prescribed qualification for the post of PET was F.A / F.Sc with diploma in relevant field. As the persons did not have prescribed qualification for the post so, their appointment was unauthorized,

which resulted into unauthorized expenditure of Rs 15.963 million. Detail is given below:

(Rupees in million)			
Sr. No.	DDOs	Teacher Name	Amount
1	Dy. DEO (M-EE) Fortabbas	Mr. Muhammad Aslam	2.081
		Mr.Zulfiqar Ali	2.081
		Mr.Shabbir Ahmed	2.081
		Mr.Mhammad Javed	3.006
2	Dy. DEO (W-EE) Fortabbas	Mr. Muhammad Saleem	2.238
		Mrs.tahira Parveen	2.238
		Mrs.Zareena Sattar	2.238
Total			15.963

Due to ineffective financial / managerial controls, appointments below prescribed qualifications were made.

Appointment of persons below prescribed qualifications resulted in unauthorized expenditure of Rs 15.963 million.

The matter was reported to CEO and DDOs concerned in October 2019. DDOs replied that recruitments were made according to the recruitment policy prescribed at the time of advertisement and there was no irregularity. Reply was not tenable as appointments were made without observing prescribed qualification of the posts.

DAC in its meeting held on 04.11.19 directed to get the expenditure regularized from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No.12, 13 & 05]

1.2.5.4.6 Doubtful expenditure due to non-updating and non-maintenance of record – Rs 14.898 million

According to Section 3.3.1, 3.5.3 and 4.3 of the School Council Policy, 2007, it is compulsory for School Council to maintain record of Notification of School Council, Notification for cancellation of membership of SC, members of Schools Council, inspection register for members of School Council, minutes of meeting, development work, approved resolutions, cash book, moveable / immoveable property, curricular/co-curricular activities and correspondence file.

15 schools working under the administrative control of Dy. DEO (EE-M) BWN incurred expenditure of Rs 14.898 million without maintaining and updating important record. Detailed is given below:

Record not Maintained					
Sr. No.	Description of record	Record not maintained updated by number of schools	Record maintained by number of schools	Total number of schools checked	%age of non-maintenance of record
1	Form-1 Notification of School Council	17	0	17	100%
2	Form-2 Notification for cancellation of membership of SC	17	0	17	100%
3	Form-3 Record of members of Schools Council	17	0	17	100%
4	Form-4 Inspection registers for members of School Council	17	0	17	100%
5	Record of Moveable / Immoveable Property	17	0	17	100%
6	Record of curriculum / non-curriculum activities	17	0	17	100%
7	Correspondence file	17	0	17	100%

(Amount in rupees)

Sr. No.	EMIS Code	School Name	Total Budget	Expenditure
1	31110056	GES BAIRWALA	1,414,257	1,117,630
2	31110051	GES FAISAL COLONY	876,519	912,103
3	31110177	GES HAFIZ ABAD	1,707,083	1,689,407
4	31110218	GES HAFIZ WALA	1,500,227	970,395
5	31110054	GES KISHEN GARH	1,069,225	963,154
6	31110058	GES KOT FATEH MUHAMMAD SHAH	2,199,742	952,140
7	31110628	GES Model Town	2,113,413	992,852
8	31110042	GES NATHOO DHAKA	2,444,112	1,185,546
9	31110047	GES ORKI ABDULLAH SHAH	1,188,709	914,800
10	31110044	GES SURAJ GUNJ	1,798,655	1,205,615

Sr. No.	EMIS Code	School Name	Total Budget	Expenditure
11	31110104	GPS AZIZ DIN	1,373,070	430,178
12	31110232	GPS DARBAR SHIEHK JAMAL	1,432,919	1,396,305
13	31110256	GPS KAT BULAY WALI	1,513,482	230,160
14	31110226	GPS BAKHOO SHAH NO.2	1,399,806	442,762
15	31110040	GES DUNGA BISHNOIAN	2,706,899	1,495,578
Total				14,898,625

Due to weak managerial controls, prescribed record was not maintained.

Legitimacy of the expenditure amounting to Rs 14.898 million could not be ensured due to non-maintenance of prescribed record.

The matter was reported to CEO and DDO concerned in August, 2019. DDO replied that a letter was issued to concerned schools regarding doubtful expenditure due to non updating and non-maintenance of crucial record. Reply was not tenable as no compliance was shown for verification.

DAC in its meeting held on 04.11.19 directed to hold inquiry by the DEO (EE-M) to probe the matter and report within a month. No further progress was intimated till finalization of this Report.

Audit recommends early finalization of inquiry besides fixing responsibility against the person(s) at fault.

[AIR Para No.21]

1.2.5.4.7 Loss due to payment of conveyance / mobility allowance – Rs 6.171 million

According to Government of the Punjab Education Department (School Wing) letter No. So (S-III) 1-2-16/2007 dated 24.09.2007, mobility allowance is not admissible during the period of leave.

Seven (07) DDOs working under jurisdiction of CEO (DEA) BWN did not deduct conveyance/mobility allowance amounting to Rs 6.171 million from the teaching / non-teaching staff during vacations / leave period. Detail is given in **Annexure-H/DEA BWN**.

Due to weak financial controls, conveyance/mobility allowance was paid during vacations / leave periods.

Payment of conveyance/mobility allowance during vacations / leave periods resulted in loss of Rs 6.171 million.

The matter was reported to CEO and DDOs concerned in October 2019. DDOs replied that letters were issued to the concerned regarding recovery of conveyance allowance. Replies were not tenable as no recovery was affected.

DAC in its meeting held on 04.11.19 directed to expedite the recovery from the concerned and produce verified status within a week. No further progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 6.171 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Paras: 6, 10, 16,2,9, ,3,6,4,14,,9,1,6, &1]

1.2.5.4.8 Unauthorized retention of public money into account of DDO – Rs 5.125 million

According to Rule 2.10(3) of PFR Vol-1, all inevitable payments are ascertained and liquidated at the earliest possible date. No money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance.

Dy.DEO (EE-W) Fortabbas did not disburse funds of Rs 5.125 million during 2018-19. As per bank statement amount was transferred but the same remained in the bank on 30.06.2019 without any detail as to whom (as cash book did not reflect any closing balance and also no reconciliation was on the record) funds had to be disbursed.

Due to weak internal controls funds remained in DDO account and were not disbursed.

Non-disbursement of funds may result in mis-utilization of funds.

The matter was reported to CEO and DDO concerned in October 2019. DDO replied that cheques were issued to concerned but the cheques were not drawn from the bank, therefore the amount remained in balance on 30.06.2019. Reply was not tenable as no disbursement record was produced for verification.

DAC in its meeting held on 04.11.19 directed to hold inquiry by the DEO (SE) to probe the matter and to produce report of the same within 15 days. No further progress was intimated till finalization of this Report.

Audit recommends early finalization of inquiry besides appropriate actions against the person(s) at fault.

[AIR Para No.7]

1.2.5.4.9 Loss due to unauthorized award of advance increments – Rs 1.613 million

According to Notification of the Government of the Punjab Vide No. SOR-III-1-20/95 dated 01.02.1997; the prescribed qualification for PTC teacher was enhanced from Matric / PTC to F.A / PTC. As per Finance Department Letter No.FD-PC-2-2/91 dated 1.08.1991, “The advance increments shall be allowed at the time of recruitment or acquisition of higher qualification, whichever is later.”

Five (05) DDOs working under the control of CEO (DEA) BWN allowed PTC teachers to draw two advance increments on acquiring qualification of F.A / F.Sc. Advance increments / benefits of higher pay scale on passing “Intermediate Examination” were not admissible to those teachers as required qualification for the post of PTC teachers was enhanced from Matric / PTC to F.A/PTC w.e.f 01.02.1997. Detail is given below.

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (M-EE) BWN	0.387
2	GGHS Mohar Wali	0.245
3	GGHS Mohar Wali	0.339
4	Dy. DEO (M-EE) Fortabbas	0.576

Sr. No.	DDOs	Amount
5	Dy. DEO (W) Haroonabad	0.066
Total		1.613

Due to weak internal controls, advance increments were granted to teachers without prescribed qualification.

Grant of inadmissible increments resulted in over payment of Rs 1.613 million.

The matter was reported to CEO and DDOs concerned in October 2019. DDOs replied that letters were issued to the concerned regarding irregular award of advance increments. Further, the matter was sub-judice in court of law. Reply was not tenable as increments were not admissible.

DAC in its meeting held on 04.11.19 decided to keep the para pending till decision by the court. No further progress was intimated till finalization of this Report.

Audit recommends re-fixation of pay besides fixing responsibility on the person(s) at fault and recovery of due amount from the concerned.

[AIR Para No.08, 03, 05, 11, & 21]

1.2.5.4.10 Unauthorized payment of SSB after regularization – Rs 1.467 million

According to S&GAD (Regulation Wing) Notification No.SO/DS (O&M) (S&GAD) 5-3/2003 dated 01.03.13, employees working on contract was required to be regularized with immediate effect and the salary component of such employee shall be in accordance with the pay scales plus usual allowances prescribed for the posts against which they are being appointed. They will, however, not be entitled to the payment of 30% social security benefits in lieu of pension or any other pay package being drawn by them.

Following DDOs under jurisdiction of CEO (DEA) BWN made excess payment of Rs 1.467 million on account of Social Security Benefit (SSB) after

regularization of services of the contract employees during 2011-19 in violation of above rule. Detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (M-EE) Fortabbas	0.311
2	Dy. DEO (W-EE) Fortabbas	0.255
3	Govt. GHS Toba Baloochan	0.287
4	Dy. DEO (W-EE) Haroonabad	0.614
Total		1.467

Due to weak financial controls, SSB was paid after regularization.

Payment of SSB after regularization resulted in loss of Rs 1.467 million.

The matter was reported to CEO and DDOs concerned in October 2019. DDOs replied that District Education Authority regularized ESEs and SESEs and case for fixation of 13 teachers was submitted to District Accounts Office Bahawalnagar. Replies were not tenable as no recovery affected was shown.

DAC in its meeting held on 04.11.19 directed to expedite the recovery from the concerned and produce verified status within a week No further progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.467 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No. 10, 3, 8 & 4]

1.2.5.4.11 Non-realization of revenue due to non-registration of private schools – Rs 1.328 million

According to Government of the Punjab, School Education Department Letter No. SO(A-II)3-3/99(P) dated 22.01.2009 issued by the Secretary Schools Education, the initial period of registration of private institutions would be five years whereas, each extension on fulfilling the prescribed conditions would be for 10 years in case of self-owned buildings and for five years in case of rented

buildings. Further, registration and annual inspection fee for each high / higher secondary school was Rs 7,000 and 1,000 respectively.

CEO (DEA) BWN failed to register 227 un-registered private schools of District Bahawalnagar as reported in annual exam gazette 2018-19 due to which government sustained loss of Rs 1.328 million. These private schools were running without registration. Detail of loss is given below:

(Amount in rupees)

Sr. No.	Category	Unregistered School (No.)	Registration fee	Inspection fee	Total	Total revenue not recovered
1	Primary	68	5,000	500	5,500	374,000
2	Middle	127	5,000	500	5,500	698,500
3	High	24	7,000	1,000	8,000	192,000
4	Higher Secondary	8	7,000	1,000	8,000	64,000
Total		227				1,328,500

Source: - Comparison of Gazette book / result with record maintained in CEO (DEA) office.

Due to weak administrative controls, unregistered private schools were not got registered by DEA.

Non-registration of private schools by DEA resulted in loss to the public exchequer to the extent of Rs 1.328 million.

The matter was reported to CEO in August, 2019. DDO replied that documents were available which would be shown at the time of SDAC. Reply was not tenable as no record was produced in support of reply.

DAC in its meeting held on 04.11.19 decided to keep the para pending for recovery or provision of record within a month. No further progress was intimated till finalization of this Report.

Audit recommends registration of private schools and recovery from the concerned besides appropriate actions against the person (s) at fault.

[AIR Para No.27]

1.2.5.4.12 Unjustified expenditure on POL due to extensive travelling – Rs 1.105 million

According to Rule 2.32 of Punjab Financial Rule Vol-1, “it is essential that the records of payments, measurement and transactions in general must be so clear, explicit and self-contained as to be producible as satisfactory and convincing evidence of facts”.

Dy. DEO (EE-M) BWN, incurred expenditure of Rs 1.105 million on POL during 01.07.16 to 31.05.19. As per record vehicle travelled 152,090 KMs with consumption of 12,580 liters petrol during July 2016 to May 2019 (35 months) which showed that vehicle travelled 167 km per day which was illogical and unjustified. Detail is given in **Annexure-I/DEA BWN**.

Due to weak internal control of the management, extensive travelling was claimed.

Extensive travelling in illogical manner resulted in unjustified expenditure of Rs 1.105 million.

The matter was reported to CEO and DDO concerned in October 2019. DDO replied that the post of Dy. DEO (EE-M) was a supervisory post and according to job nature he has to visit schools and has to attend meetings and court cases also. Reply was not tenable as extensive travelling was recorded in presence of which office assignments seemed doubtful.

DAC in its meeting held on 04.11.19 directed to inquire the matter and produced report within a month. No further progress was intimated till finalization of this Report.

Audit recommends early finalization of the inquiry besides appropriate actions against the person (s) at fault.

[AIR Para No.34]

1.2.5.4.13 Excess drawl of pay & allowances – Rs 1.080 million

According to Government of the Punjab S&GAD department letter No.DS(O&M)(S&GAD)5-3/2013 dated 1.03.2013, “The Chief Minister, Punjab order for regularization of employees recruited on contract basis in BS-1 to 15 working in various Government department of the Punjab”.

Dy. DEO (EE-M) BWN made excess payment of Rs 1.080 million on account of pay and allowances to various employees after regularization. As per rule basic pay of the employees was required to be fixed at initial stage of pay scales but the same was not done. **Annexure-J/DEA BWN**

Due to weak internal control, pay was not fixed at initial stage of pay scales.

Non fixation of pay at initial stage resulted in excess payment of Rs 1.080 million.

The matter was reported to CEO and DDO concerned in August 2019. DDO replied that a letter was issued to the concerned for recovery. Record in support of reply was not produced.

DAC in its meeting held on 04.11.19 directed to expedite recovery from the concerned within a week. No further progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.080 million from the concerned and re-fixation of pay besides fixing responsibility on the person(s) at fault.

[AIR Para No.19]

2. District Education Authority Bahawalpur

CHAPTER 1

Public Financial Management Issues

Regional Director Audit, District Governments Bahawalpur conducts Financial Attest Audit of the District Accounts Office Bahawalpur on annual basis.

Sectoral analysis

i. Analysis of Financial Resources

To achieve targets assigned to PAO by Government of the Punjab, Financial resources as given below were made available to CEO DEA, during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+)	% (Lapse)
			/ Lapse (-)	
Salary	10,596.969	8,322.942	-2,274.027	-21.46%
Non-Salary	688.454	415.459	-272.995	-39.65%
Development	1,320.966	125.491	-1,195.475	-90.50%
Total	12,606.389	8,863.891	-3,742.498	-29.69%
Receipts	0.576	0.576		

*Source: Appropriation Accounts

Development includes an expenditure of 125.491 million against allocation of Rs 1,320.966 million for different schemes of construction of dangerous buildings, provision of missing facilities and provision of IT labs in various schools. Some schemes could not be completed and an amount of Rs 1195.475 million lapsed during the year 2018-19.

Savings of Rs 2,547.022 million in non-development budget was due to vacancies of various categories during 2018-19.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 3,742.498 million was lapsed due to inefficient management.

Analysis of Appropriation Accounts and Financial Statements (Certification Audit 2019-20)

The Appropriation Accounts and Financial Statements of DEA Bahawalpur for the financial year 2018-19 properly present, in all material respects, the financial position of District Education Authority, Bahawalpur as on 30th June, 2019.

During Certification Audit of DEA Bahawalpur for the Audit Year 2019-20, it was noticed that difference between Financial Statements and balance of State Bank remained un-reconciled till close of the financial year. Further, wrong treatment of civil works expenditure was made. Furthermore, Fixed Assets were not reported in the Financial Statements and irregular payments were made to the brick kiln children and various employees as well.

The following issues surfaced during Certification Audit of DEA BWP:

- Irregular treatment of expenditure on civil works and wrongly incorporating as receipt Rs 47.132 million
- Un-reconciled difference between Financial Statements and State Bank Balance – Rs 68.253 million
- Difference between SAP and Financial Statements – Rs 52.066 million
- Non-reporting of Fixed Assets – Rs 18.250 million
- Irregular authorization of payments on account of children working at brick kilns Rs 7.851 million
- Irregular payment of conveyance allowance during vacations – Rs 40.339 million

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department Punjab.

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Bahawalpur was made on the basis of various quality indicators of Education department for the financial year 2018-19. These

indicators were introduced, implemented and monitored through PMIU (Punjab Monitoring Information Unit) being part of CM Roadmap 2014. The objectives of Roadmap were to improve education standards through improved environment, improved ratio of admission of students & their retention, zero tolerance to drop out, improvement of missing facilities in schools and improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicators	Sr. No.	Sub Indicators	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Quality indicator	1	LND	82	85.69	Achieved
Core Indicators	2	Students Attendance (K-12)	92	92.37	Achieved
	3	Teacher Presence	90	95.58	Achieved
	4	Head Teacher Presence	90	96.01	Achieved
	5	Availability of Boundary Wall	98	96.77	Not Achieved
	6	Availability of Drinking Water	95	98.88	Achieved
	7	Availability of Furniture	70	92.25	Achieved
	8	Classroom Observation	80	94.26	Achieved
Infrastructure Indicators	9	Safe Buildings	98	97.76	Achieved
	10	NSB Timelines(Non Salary Budget)	90	Not taken	Not taken
	11	NSB Utilizations	90	85.94	Not Achieved
	12	Data health	90	87.37	Not Achieved
	13	Sufficiency of Toilet	77.5	84.18	Achieved
Monitoring & Management Indicators	14	Retention (Kachi-12)	97	99.39	Achieved
	15	School Hygiene	80	84.1	Achieved
	16	Partial facility	1	1.79	Achieved
	17	One time Resolution	90	100	Achieved

Source Data received from CEO (DEA)

iii. Service Delivery Issues

From the data analysis of DEA Bahawalpur, the following service delivery issues were observed:

- Boundary wall was targeted to be achieved 98%, while it could be achieved only 96.77% due to which schools and students remained unsafe

- NSB utilization was targeted to be achieved 90%, while it could be achieved only 85.94% and purpose of the same could not be achieved depriving the schools for availability of necessary things

iv. Serious Financial Irregularities and Findings

- i. Non-production of record worth Rs 8,152.117 million was reported in 01 case.
- ii. Irregularities of rules amounting to Rs 11,524.824 million was noticed in 09 cases.
- iii. Others matter involving an amount of Rs 38.343 million were noticed in 05 cases

v. Expectation Analysis and remedial Measures

District Education Authority

CEO (DEA) did not achieve its overall targets regarding provision of boundary wall, utilization of NSB funds, availability of sufficient toilets and provision of healthy environment in schools.

The management achieved most of the targets except three (03) out of seventeen (17) indicators.

Suggestions/Remedial Measures

- Strengthening the internal controls, adopting and following strong regulatory framework, fair tendering and judicious use of funds.
- Shortage of teaching staff at different levels should be overcome.
- Timely utilization of NSB funds.
- Taking steps towards provision of furniture in every school.
- Ensuring safe and healthy environment for the students.
- Releasing specific funds for construction of toilet blocks.

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure audited F.Y 2018-19	Revenue / Receipts audited F.Y 2018-19
1	Formations	201	08	949.720	0.576
2	Assignments Accounts	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	01	01	949.720	0.576
4	Foreign Aided Projects (FAP)	-	-	-	-

Following observations were surfaced during the audit of financial year 2018-19.

2.1.1 AUDIT PARAS

2.1.1.1 Irregular treatment for expenditure on civil works and wrongly incorporating as receipt – Rs 47.132 million

Risk Categorization: High

Criteria

According to Section 11.3.3.1 of Accounting Policies and Procedures Manual (APPM), these are liabilities which arise when money raised from various savings schemes and funds launched by the Government are utilized in operations. These liabilities are ‘deferred’ in the sense that they will be funded by future revenues of the Government, and repaid upon expiry of the relevant scheme or fund. Deferred liabilities include Savings. Further, according to Section 11.3.3.2 of *ibid*, these liabilities shall be recorded on the Liabilities Register and form part of the budgeting process in the subsequent years.

Observation

DAO BWP showed receipt of Rs 47.132 million vide document No. 1600021073 dated 27.10.2018 from district education authority. Amount was transferred to building department for construction and the same was reported as expenditure under the head grants on 30.06.2018 in annual accounts of authority without adjusting in relevant year. But in financial statement nil expenditure was reported under the head civil works. Point of attention is that, the whole amount

was irregularly booked as expenditure under the head Grants for the year 2017-18 without adjustment of unspent balance. Later on the same unspent balance was transferred to DEA and deposited in authority's account on 12.10.2018 under the receipt head C02818 (Education Other) by showing receipt of the authority. This amount which was already booked as expenditure in annual accounts for the year 2017-18, was again booked as expenditure in the annual accounts for the year 2018-19. But expenditure under the head civil works was also nil in financial year 2018-19. Further it was the authority's own fund (unspent balance) which was wrongly shown as receipt in the annual accounts.

Implications

Wrong preparation of accounts and misleading figures in District Education Authority annual accounts, further chances of errors and frauds could not be ruled out.

Management Response:

Funds were transferred to building department as deposit work according to prescribed procedure. The payment was made to the contractor by the concerned department after due process. No vouchers / bills were payable as the building department will issue the tender after receiving the amount as deposit work.

Recommendations:

Audit requires justification for wrong booking besides transferring the same into relevant account head.

2.1.1.2 Un-Reconciled Difference between Financial Statement and State Bank Balance – Rs 68.253 million

Risk Categorization: High

Criteria:

According to Section 6.5.3.1 of the Accounting Policies and Procedures Manual (APPM), the delegated officer in the Account Section of the DAO/AG/AGPR shall reconcile the daily balances of receipts and expenditures

with its own records (Sub Ledger/General Ledger), including the daily balances as reported on the daily bank scrolls.

Observation:

During Certification Audit of Account V, District Accounts Office Bahawalpur for the year 2018-19, it was observed that less receipts were reported in the financial statement and finance account than total receipt of the authority reported by the bank as detail in table below which need justification.

(Amount in rupees)

Description	As per Statement of Cash and Bank Balances for the year 2018-19 (Page No 10)	Total Receipts as per SBD	Difference
Grants from Provincial Government	8,805,402,000	8,873,655,104	68,253,104

Implications:

Incorrect calculation and reporting of receipts
Chances of errors and frauds could not be ruled out

Management Response:

Financial Statements is prepared in the manner prescribed by the Auditor General of Pakistan. The accurate balances have been reported in the Financial Statements. However, the SBD has been reconciled with the State Bank of Pakistan.

Recommendations:

Receipts at the state bank and annual accounts be reconciled and accurate balances be reported.

2.1.1.3 Difference between SAP and Financial Statement–Rs 52.066 million

Risk Categorization: High

Criteria

According to paras 2.2.2.9 & 6.3.4.2 of APPM, the District Accounts Officers are responsible for the accounting functions of the districts and every DAO shall prepare a monthly reconciliation statement for expenditure and receipts.

Observation:

During the course of Certification Audit of Account V of District Accounts Office Bahawalpur for the year 2018-19, audit noted a difference in Public Account Payments and Receipt of Rs 52.066 million between SAP and Financial Statement of District Education Authority which needs rectification. Further difference in residual equity was also noted.

(Amount in millions)

Head of Account	DEA ACCOUNT -V		
	Amount as per SAP	Amount as per Financial Statement	Difference
Trust & other public account-Payment	16,212,319	16,212,352	33.00
Special Deposits-Payment	973	973	0.00
State Provident Fund-payment	0.00	0.00	0.00
Trust & other public account-Receipts	16,170,178.00	16,222,171	51,993.00
Special Deposits-Receipts	14881	14,881	0.00
State Provident Fund-Receipts	29616	29,616	0.00
Residual Equity	51.993	91.717	39.724
Total			52,065.724

Implications:

Incorrect calculation and reporting of balances
Chances of errors and frauds could not be ruled out

Management Response:

Financial Statements is prepared in the manner prescribed by the Auditor General of Pakistan. The accurate balances have been reported in the Financial

Statements. However, the SBD has been reconciled with the State Bank of Pakistan.

Recommendations:

Reconciled and, accurate balances should be reported in the financial statements.

2.1.1.4 Non-reporting of Fixed Assets – Rs 18.250 million

Risk Categorization: High

Criteria

According to Section 13.4.4.1 of Accounting Policies and Procedure Manual, a memorandum account for fixed assets shall be kept by the DAO to record transactions relating to fixed assets. Further according to section 13.4.4.2 where claims are made in relation to expenditures for fixed assets, the claim voucher submitted to the DAO/AG/AGPR shall also include information on Fixed Assets Form (form 13B).

Observation:

District Accounts Office Bahawalpur authorized payments of Rs 18.250 million on account of purchase of fixed assets for the year 2018-19 without maintaining memorandum account and form 13B. Further, contrary to the above referred Section of APPM, the expenditure was not included in statement of Capital Expenditure and asset side of Balance Sheet. Quarterly report was also not sent to Accountant General Punjab for reconciliation with report sent by PAO.

Implications:

The statement of fixed assets shows the cost at the beginning and end of the reporting period and any additions or disposals thereof. In the absence of this statement proper valuation and control over fixed assets was doubtful. Moreover, Balance Sheet was not showing true picture of the financial position of the District.

Management Response:

Accounts are prepared in a manner prescribed by the Auditor General of Pakistan under section 5 of CGA ordinance 2001. The current year financial statements have been prepared under NAM and the fern act of IPSAS cash basis of accounting. Assets and liability accounting practices are not yet implemented. The same will be prepared when the above referred accounting practices implemented. In this regard a certificate duly signed by the accounting general Punjab has been incorporated in the preface of Financial statement for the year 2018-2019.

Recommendation:

Audit recommends reporting of Fixed Assets in Balance Sheet.

2.1.1.5 Irregular authorization of payments in favor of brick kilns children – Rs 7.851 million

Risk Categorization: Moderate

Criteria:

According to Punjab Prohibition of Child Labor at Brick Kilns Act 2016 implemented on 02.09.2016, section 3, every engagement or appointment of a worker shall be subject to a written contract in the prescribed Form between the worker and the occupier showing the terms and conditions of his employment or engagement including: (2) The occupier shall send a copy of the contract made under subsection (1) to the inspector having jurisdiction in the area. (3) An occupier shall, within sixty days of the commencement of this Act, arrange for the execution of the contract of engagement under subsection (1) with each of the workers engaged on work at a brick kiln immediately before the commencement of the Act.

Observation:

District Accounts Office Bahawalpur made payment of Rs 7.851 million for the year 2018-19 without detailed scrutiny of claims submitted by the DDO. Payments made to the DDO were subject to following observations:

1. Tender was given in the year 2017-18 for purchase of uniform, shoes, and stationery for brick kilns children but in the supply orders and bills fictitious children were included for the year 2016-17. When expenditure was already incurred then why children of that year were included in supply orders and bills. Funds of Rs 3.571 million were doubtfully expended for the year 2016-17.
2. As per supply orders of uniform and shoes number of children in each tehsil was different and illogical, which meant children wore shoes but did not wear uniform and vice versa.
3. Purchased items were not provided at concerned offices of tehsils as per terms and conditions of supply orders.
4. No agreement was available by the parents with owner containing detail of age group of children with parentage name.
5. School wise admission record of children was also not mentioned / attached.

(Amount in rupees)

Sr. No.	Office	Document No	Amount	Supplier	Amount 2016-17	Amount 2017-18
1	DEO (MEE) BWP	1900050588	1,575,626	Koh-e-Noor Enterprises	717,466.30	858,160
2	DEO (MEE) BWP	1900015958	1,287,034	Zeshan Brothers	585,275	701,759
3	DEO (MEE) BWP	1900079352	1,241,954	Madni Traders	564,775	677,179
4	DEO (MEE) BWP	1900050590	3746148	Zeshan Brothers	1,703,550	2,042,598
Total			7,850,762		3,571,066	4,279,696

Implications:

- Making payments without necessary scrutiny / inspection
- Weak controls on the part of concerned department

Management Response:

Payment has been made as per policy laid down by the Govt. of the Punjab and after observing all legal/codal formalities.

Recommendation:

Audit recommends applying pre-audit checks while scrutiny of bills.

2.1.1.6 Loss due to payment of conveyance allowance during vacations – Rs 40.339 million

Risk Categorization: High

Criteria:

According to the Section 4.6.12.13 of Accounting Policies and Procedures Manual, the supervising payroll officer shall check that all amendments to payroll are accurate and there are no unauthorized amendments, compare current month payroll to last month and review any exceptions and compare manual payroll to computer payroll to ensure that no employee is paid twice. Further, according to Government of the Punjab, Education Department (School Wing) Notification No.SO(S-III) 2-16/2007 dated 24.09.2007, Mobility Allowance is allowed to all the school teachers during active duty in schools or against administrative posts. The said allowance is not admissible during leave.

Observation:

DAO BWP authorized payment of Rs 40.339 million on account of conveyance allowance to staff of DEA during 2018-19, despite the same was not admissible during summer and winter vacations. Detail is given below:

(Amount in rupees)

Sr. No.	No. of employees	Rate of C.A	Leave periods 24.12.2018 to 06.01.2019	Leave periods 01.08.2018 to 15.08.2018	Total Days	Amount of Recovery
1	81	1,932	13	15	28	146,059
2	9842	2,856	13	15	28	26,234,835
3	2991	5000	13	15	28	13,958,000
Total						40,338,894

Implications:

Due to weak internal controls, conveyance allowance was paid during winter vacations. Payment of conveyance allowance during winter vacation resulted in over payment of Rs 40.339 million.

Management Response:

Management replied that conveyance allowance was paid only to those employees to whom Government vehicles were not allotted. They have no authority of physical verification.

Recommendation:

Audit recommends recovery of Rs 40.339 million.

CHAPTER 2

DEA Bahawalpur

2.2.1 Introduction of the Authority

District Education Authority, Bahawalpur was established on 01.01.2017 under Punjab Local Governments Act, 2013. DEA, Bahawalpur is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

CEO is the Principal Accounting Officer of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the DEA Group of Offices is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

DEA Bahawalpur manages following educational facilities and institutes:

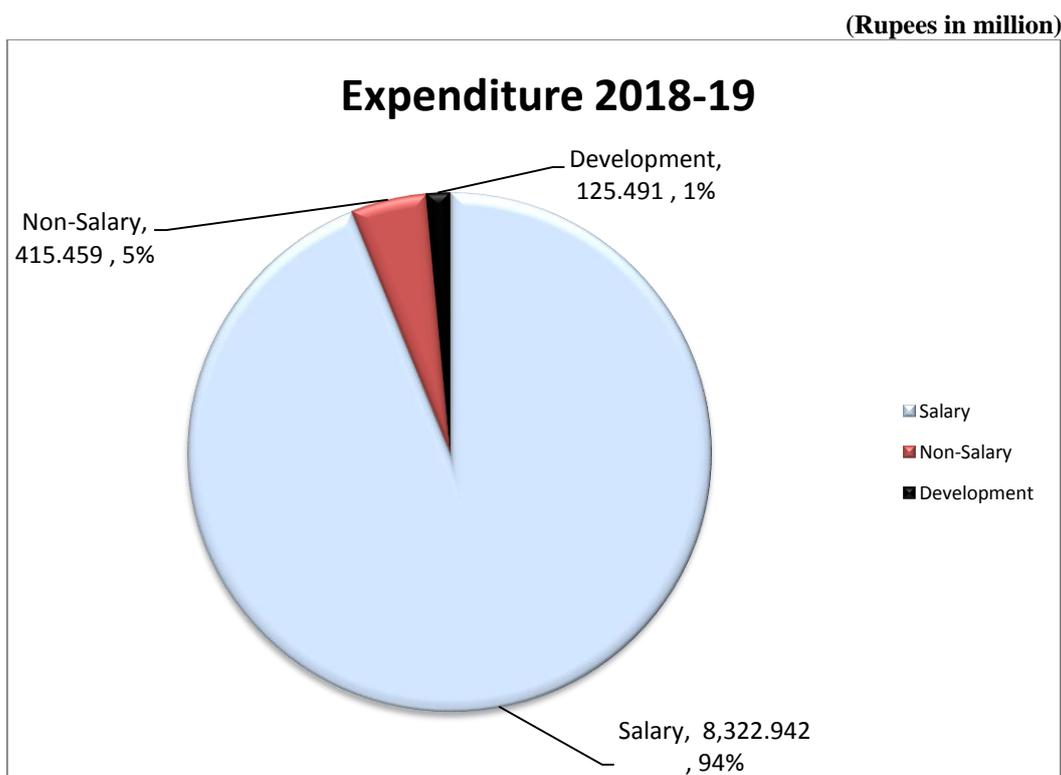
Description	No. of Education Institutes
Primary Schools	1,187
Elementary schools	279
Higher Secondary Schools (Boys & Girls)	27
High Schools (Boys & Girls)	166
Special Education Schools / Centers	12
Deputy District Education Officers (Elementary Male)	6
Deputy District Education Officers (Elementary Female)	6
District Education Officers (Secondary)	1
District Education Officers (Elementary Male)	1
District Education Officers (Elementary Female)	1
District Education Officers (Literacy)	1
District Education Officers (Special Education)	1
Chief Executive Officer (Education)	1

2.2.2 Comments on Budget and Accounts (Variance analysis)

The detail of budget and expenditure is given below in tabulated form:

(Rupees in million)

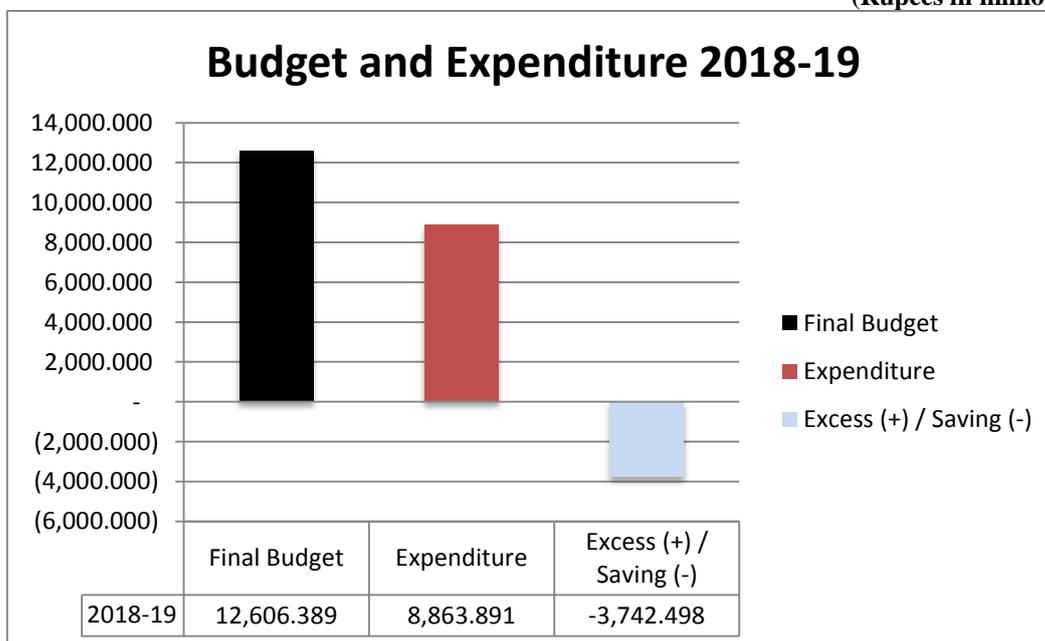
2018-19	Budget	Actual	Excess (+)	% (Lapse)
			/ Lapse (-)	
Salary	10,596.969	8,322.942	-2,274.027	-21.46%
Non-Salary	688.454	415.459	-272.995	-39.65%
Development	1,320.966	125.491	-1,195.475	-90.50%
Total	12,606.389	8,863.891	-3,742.498	-29.69%
Receipts	0.576	0.576		



As per Appropriation Accounts 2018-19 of the District Education Authority, Bahawalpur, total final budget (Development & Non-Development) was Rs 12,606.389 million. Against the final budget, total expenditure of Rs 8,863.891

million was incurred by the District Education Authority during 2018-19. Lapse of Rs 3,742.498 million came to the notice of Audit due to inefficient financial management in release of budget. No plausible explanation was provided by the PAO and management of the District Education Authority (**Annexure-B**).

(Rupees in million)



2.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 19,715.284 million were raised as a result of this audit. This amount also includes recoverable of Rs 37.695 million pointed out by audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount (Rs.) ⁴
1	Non Production of record	8,152.117
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Irregularities	-

Sr. No.	Classification	Amount (Rs.)⁴
A	HR/Employees related irregularities	11,452.975
B	Procurement related irregularities	71.849
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	-
5	Others	38.343

2.2.4 Comments on the Status of Compliance with PAC directives

The Audit Reports pertaining to following year were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee so far.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	03	PAC not constituted
2	2018-19	11	PAC not constituted

2.2.5 AUDIT PARAS

2.2.5.1 Non-Production of Record

2.2.5.1.1 Non-Production of record – Rs 8,152.117 million

According to Section 14 (1)(a) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance, “the Auditor General shall in connection with the performance of his duties under this ordinance, have authority to inspect accounts of any office, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts.

Various DDOs under administrative control of CEO (DEA) Bahawalpur did not produce record of expenditure incurred and other record of Rs 8,152.117 million under different objects / codes of classification. Detail is given below:

(Rupees in million)				
Sr. No.	DDOs	Description	Period	Amount
1	Dy. DEO (EE-M) Ahmed Pur East	Vouched Accounts 2017-19 (Cost center BT6336, BT6077)	2017-19	6.661
		Service books of staff, long leave registers, token register, tree register, history sheet, stock register, etc.	2017-19	-
		Stock Registers	2017-18	0.252
2	Dy. DEO (EE-W) Hasilpur	Vouched Account	2017-19	1.096
3	Dy. DEO (EE-W) Bahawalpur Sadar	Bills of Inspection Allow, Arrear Bill. Service Books of all teaching and non-teaching staff, stock register	2017-19	3.162
4	Principal Secondary Higher School Lal Sohanra	Arrear Bills, Long leave register, Stock register, etc.	2013-19	-
5	CEO(DEA)	General Cash Book, Budget Control Register, Pending Liabilities	2018-19	8,140.946
Total				8,152.117

Due to weak internal controls and willful evasion from audit, record was neither properly maintained nor produced for audit verification.

Non production of record created doubts regarding legitimacy of expenditure incurred for Rs 8,152.117 million.

The matter was reported to CEO and DDOs concerned in August, 2019. All DDOs replied that relevant record was maintained and available for verification but record was produced neither during audit nor at the time of record verification.

The DAC in its meeting held on 11.12.19 directed to produce the relevant record and get that verified from audit within a month besides fixing responsibility on person(s) at fault. No further progress was intimated till finalization of this Report.

Audit recommends that desired record be produced for verification at the earliest and necessary action be initiated against the person(s) who evaded provision of record.

[AIR Para No. 19, 20, 24, 22, 16, 20 & 07]

2.2.5.2 Irregularities

2.2.5.2.1 Unlawful conduct of business of District Education Authority – Rs 11,337.612 million

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 08.11.2017), when an elected local government is, for any reason, not in office, the Government may appoint an administrator to perform the functions of the local government until the elected local government assumes office but such period shall not exceed twelve months.

During audit of DEA BWP it was observed that Dy. Commissioner, Bahawalpur continued to hold the office as Administrator and exercised the powers of the authority beyond lawful tenure of 12 months which expired on 31.12.2017. Therefore, conduct of business of the Education Authority, Bahawalpur including approval/ authentication of Revised Budget amounting to Rs 11,337.612 million and incurrence of expenditure was held unlawful. Detail is given below:

(Rupees in million)	
Description	Budget estimates 2018-19
Expected PFC Share (Salary + Non salary)	10014.690
Tide grant non Development	1320.922
Authority own receipts	2.000
Total receipts	11,337.612
Expenditure for Establishment	9238.922
Non Salary Expenditure	776.698
Development Expenditure	1320.922
Closing Balance	1.000
Total	11,337.612

Due to financial indiscipline, business of the District Education Authority was run by Dy. Commissioner beyond lawful tenure of 12 months.

Exercising the powers of the House by the Dy. Commissioner beyond 12 months resulted in unlawful authentication / approval of Revised Budget

amounting to Rs 11,337.612 million and unlawful conduct of business of District Education Authority.

The matter was reported to CEO concerned in August, 2019. DDO replied that it was a policy matter and Dy. Commissioner was fully competent to run the business of the authority. Reply was not tenable as no documentary evidence regarding government policy was shown to audit.

The DAC in its meeting held on 11.12.19 directed to get the expenditure regularized from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para: 01]

2.2.5.2.2 Irregular drawl of arrears without provision of additional budget – Rs 98.519 million

According to Rule 2.27 of PFR Vol-1, no payment of pay and allowances be made on account of arrear of pay and allowances until additional budget hereby caused has been duly sanctioned and provided in the budget estimates.

During audit of DEA Bahawalpur, it was observed that employees of various DDOs drew arrear bills amounting to Rs 98.519 million from government treasury on account of pay and allowances without obtaining additional budget during 2018-19 in violation of above rule. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-M) Ahmed Pur East	Pay & allowances	5.684
2	Dy. DEO (EE-W) Hasilpur	Pay & allowances	39.13
3	Dy. DEO (EE-W) Yazman	Pay & allowances	49.443
4	Dy. DEO (EE-W) Bahawalpur Sadar	Pay & allowances	3.323
5	Govt. High School Lal Sohanra	Pay & allowances	0.635
6	Headmistress GGHS 48/DB Yazman	Pay & allowances	0.304
Total			98.519

Due to financial indiscipline, arrear bills were sanctioned and drawn without availability of additional budget.

Sanctions of arrear bills without availability of additional budget resulted in irregular payments of Rs 98.519 million.

The matter was reported to CEO and DDOs concerned in August, 2019. Dy. DEO (EE-M) Ahmed Pur replied that arrear bills were paid from available budget. All other DDOs replied that sanction of additional budget was available. Replies were not tenable because neither arrear bills nor approvals / sanctions of additional budget were produced in support of replies.

DAC in its meeting held on 11.12.19 directed to get the expenditure regularized from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Paras: 05, 19, 16, 02, 02 &13]

2.2.5.2.3 Unauthentic expenditure on development works – Rs 40.199 million

According to Rules 35, 38, 39 & 41 of the Punjab District Authorities (Accounts) Rules, 2017, the DDO shall record the payments of District Authority and its institutions in register in Form LA-11 for development expenditure and maintain cash book in Form LA-13 for receipts and disbursements. No payment for works shall be made unless administrative approval has been obtained, technical sanction of detailed designs and estimates has been accorded by a sanctioning authority, funds has been provided in the budget and the DDOs and Head of offices shall ensure that the claims submitted for payment are valid for works, actually executed at site in accordance with specification and agreed quantity to the satisfaction of DDO and entered in the relevant books or accounts. The CEO shall visit not less than 20% of the projects being funded through ADP and the planning officer shall visit regularly major development projects. The

PC-IV signed by the head of offices and institutions shall be mandatory for all the projects.

CEO (DEA) BWP incurred expenditure of Rs 40.199 million from Account V during 2018-19 under Cost Center BT-8996 by showing execution of works through Executive Engineers Buildings Divisions, Bahawalpur. However, genuineness of claims could not be ascertained due to non maintenance of Cash Book, Scheme wise detailed designs & estimates, technical sanctions, budget releases, expenditure incurred, physical progress reports, vouchers / claims, evidences regarding mandatory inspections and completion certificates.

Due to poor monitoring mechanism, funds were drawn without maintaining proper record.

Drawl of funds without maintaining record resulted in unauthentic expenditure of Rs 40.199 million.

The matter was reported to CEO in August, 2019. DDO replied that funds were released to the executing agencies for the completion of schemes as a deposit work and all relevant record as required by audit is properly maintained. Reply was not tenable as no record in support of reply was produced.

DAC in its meeting held on 11.12.19 directed regularization of expenditure from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 04]

2.2.5.2.4 Unjustified expenditure on repair of school buildings – Rs 22.176 million

According to Section 4.4.7 of school council's policy notified in 2007 vide letter no. SO(S.III) dated 06.08.2007 read with section 3.4.7 of Guide Book for Non-Salary Budget (NSB), development works shall be got executed according to the Government approved design and specifications.

Various head teachers of different primary and elementary schools working under the administrative control of following Dy. DEOs incurred expenditure of Rs 22.176 million on construction / repair of building, soling, class rooms, boundary walls, toilet blocks, earthwork etc. from NSB funds. The expenditure was held doubtful, unjustified or even wasteful in most of the cases because the said works were got executed without preparation of design, detailed estimates and approval of technical / competent authority and / or without acquiring any recommendation and NOC / prior permission from Building Department. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Number of Schools	Period	Amount
1	Dy. DEO (EE-M) Ahmed Pur East	114	2017-19	12.877
2	Dy. DEO (EE-W), Hasilpur	23	2017-19	2.580
3	Dy. DEO (EE-W), Yazman	48	2017-19	6.719
Total				22.176

Due to weak financial management, civil work was executed without detailed design, specification, technical sanction and NOC from building department.

Incurring expenditure without observing above mentioned formalities resulted in irregular expenditure of Rs 22.176 million.

The matter was reported to CEO and DDOs concerned in August, 2019. Dy. DEO (EE-M) Ahmed Pur East replied that construction works were carried out with the approval of competent authority to achieve the indicators of missing facilities. Dy. DEO (EE-W) Hasilpur and Dy. DEO (EE-W) Yazman replied that School Council was fully empowered to incur expenditure on development work. Replies were not tenable as expenditure was incurred without observing NSB guidelines.

DAC in its meeting held on 11.12.19 directed to get the relevant record verified from audit within a week or get the expenditure regularized from the competent authority. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 10, 18 & 19]

2.2.5.2.5 Unjustified expenditure on account of Inspection Allowance to the AEOs – Rs 11.344 million

According to Government of the Punjab School Education Department Notification No SO (Budget) 1-15/2013(VOL-II) “Inspection Allowance will be allowed subject to verifiable Key Performance Indicators (KPI) developed by school education department with DIFD vide Notification No. SO (III) 5-225/2017 dated 12.09.2017.

Four (4) DDOs working under jurisdiction of CEO (DEA) BWP incurred expenditure of Rs 11.344 million on account of Inspection Allowance during 2016-18. The payment was made to AEOs without ensuring compliance of Key Performance Indicators (KPIs). Detail is given below:

(Rupees in million)

Sr. No.	DDOs	No. of employees	Period	Amount
1	Dy. DEO (EE-M) Ahmed Pur East	29	2018-19	5.642
2	Dy. DEO (EE-W) Hasilpur	9	2017-19	1.77
3	Dy. DEO (EE-W) Yazman	11	2017-19	0.77
4	Dy. DEO (EE-W) Bahawalpur Sadar	55	2017-19	3.162
Total				11.344

Due to weak financial controls, Inspection Allowance was paid without ensuring compliance of KPIs.

Payment of Inspection Allowance without ensuring compliance of KPIs resulted in loss of Rs 11.344 million.

The matter was reported to CEO and DDOs concerned in August, 2019. All DDOs replied that payment of inspection allowance was made with proper verification and counter signing by the concerned DEOs. Replies were not tenable as relevant record i.e. Key Performance Indicators (KPIs) and recommendation of the competent authority were not produced.

DAC in its meeting held on 11.12.19 directed to get the relevant record verified from audit within two days or recover said amount from the concerned. No further progress was intimated till finalization of this Report.

Audit recommends recovery of said amount from the concerned besides fixing responsibility on the person (s) at fault.

[AIR Para No. 04, 23, 01 & 09]

2.2.5.2.6 Less deduction and non-submission of Pension Contribution - Rs 5.500 million

According to Para No.06 of Government of the Punjab Finance Department's letter No. FD (DG) 1-instructions-Act-13/2016 dated 31st October 2017; the concerned District Authority shall deposit the Pension Contribution @ 40% of the pay of such serving employees' onwards in prescribed manner.

CEO DEA BWP made payment of Rs 10.12 million to various retired employees on account of Gratuity without ensuring deposit of pension contribution of concerned. The record showed that department collected pension contribution of Rs 0.645 million against the total Pension contribution of Rs 6.146 million, which resulted in less collection of PC amounting to Rs 5.500 million. Detail is given below:

(Rupees in million)

Sr. No.	Name	Date of retirement	Payment of Gratuity	PC to be deposited	PC deposited	Less contribution
1	Rasheed Ahmad (C-IV)	21.11.2017	0.652	1.049	0	1.049
2	Mukhtar Ahmad PST	28.02.2017	1.353	1.034	0.193	0.841
3	Syed Majid Ali Shah (PST)	05.11.2017	1.488	1.02	0	1.02
4	Sughran Khatoon (PST)	02.11.2016	1.282		0.187	-0.187
5	Abdul Azeez (C-IV)	22.01.2017	0.586	0.519	0.111	0.408
6	Farhat Rasheed PST	31.07.2017	1.455	0.85	0.154	0.696
7	Shamim Akhtar PST	31.12.2017	1.616	1.06	0	1.06
8	Mudassar Saeed PST	27.12.2017	1.676	0.613	0	0.613
Total			10.112	6.145	0.645	5.500

Due to weak financial management, pension contribution was less collected from the concerned MCs.

Less-collection of relevant portion of PC from concerned MCs resulted in loss of Rs 5.500 million.

The matter was reported to CEO in August, 2019. DDO replied that authority transferred funds from its own budget for payment of pension liabilities according to the policies. Reply was not tenable as relevant portion of PC was not obtained from the concerned MCs.

DAC in its meeting held on 11.12.19 directed to expedite the recovery from the concerned MCs. No further progress was intimated till finalization of this Report.

Audit recommends recovery of outstanding amount from the concerned MCs besides fixing responsibility on the person(s) at fault.

[AIR Para No. 14]

2.2.5.2.7 Irregular cash payment instead of crossed cheques – Rs 4.049 million

According to Rule 4 (1) (a) of the Punjab District Authorities (Accounts) Rules 2017, the mode of making payment from local fund of a District Authority shall be that the payment upto rupees one thousand may be made in cash.

Dy. DEO (EE-W) Yazman and Dy. DEO (EE-W) Hasilpur drew funds from Govt. treasury during financial year 2017-19 and disbursed in cash Rs 1.552 million and Rs 2.497 million respectively instead of crossed cheques, in violation of above rule.

Due to weak internal controls, payments were made in cash instead of crossed cheques.

Payments in cash instead of crossed cheques resulted in irregular payment of Rs 4.049 million.

The matter was reported to CEO and DDOs concerned in August, 2019. Both DDOs replied that instructions of audit were noted for future compliance. DDOs admitted irregularity.

DAC in its meeting held on 11.12.19 directed to get the irregularity condoned from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 03 & 12]

2.2.5.2.8 Irregular purchase of IT equipment and furniture – Rs 3.183 million

According to Rule 4 of Punjab Procurement Rules, 2014 a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical.

CEO (DEA) BWP incurred expenditure of Rs 3.183 million on purchase of IT equipment from Hi-Tech automation Services and furniture from Ammar Traders in doubtful manner.

- (a) As per supply order No. 586 dated 24.04.2019 issued to M/S Hi- Tech Automation, supply was required to be made on or before 30.05.2019 and was to be verified after installation but stock registers of the schools showed that IT equipment and furniture was received in June 2019.
- (b) Inspection team verified the Lab before on 28.05.2019 i.e. before installation as all furniture and IT equipment was received in June 2019.
- (c) Payment of Rs 2.827 million was made vide cheque No. 0094208 dated 27.06.2019 without ensuring clause No. (7) of the supply order mentioning that the payment will be made after completion of the stock and checking reports of delivered equipment.
- (d) Call deposit @ 5% was not received from the supplier.

- (e) LD charges @2% per month were not deducted as material was received after due date
- (f) Deduction of sales tax at source was made but deposit of balance amount of sales tax was not ensured as CPR was not on record.

(Rupees in million)

Sr. No.	Name of firm	Description	Supply Order	Date	Gross Amount	Sales tax
1	Hi Tech Automation Service	Purchase of IT equipment	586	24.04.19	2.827	0.481
2	Ammar Traders	Furniture for installation of IT equipment	582	24.04.19	0.356	0.060
Total					3.183	0.541

Due to financial indiscipline, payment was made without ensuring prescribed requirements.

Payment without ensuring prescribed requirements resulted in loss due to non deduction of LD Charges as well.

The matter was reported to CEO concerned in August, 2019. DDO replied that para related to DEO (EE-M) Bahawalpur, however IT equipment and furniture were purchased after verification and technical committee inspection. Reply was not tenable as relevant record in support of reply was not produced.

DAC in its meeting held on 11.12.19 directed to get the relevant record verified from audit within two days. No further progress was intimated till finalization of this Report.

Audit recommends inquiry of the matter besides fixing responsibility on the person(s) at fault.

[AIR Para No. 12]

2.2.5.2.9 Unjustified expenditure on white washing and repair of dangerous declared buildings / shelter less schools – Rs 2.242 million

According to Rule 2.33 of PFR Vol-1, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Various primary and elementary schools working under administrative control of Dy. DEO (EE-M) Ahmed Pur (East) for the year 2017-19 utilized funds amounting to Rs 2.242 million from NSB on account of construction and repair of school buildings. Expenditure incurred on shelter less schools and dangerous declared school buildings without estimates or TS and NOC from building department. Detail is given below:

(Rupees in million)

Sr. No.	EMIS Code	School Name	Civil Work	Paint Work	Total
1	-	GPS Kharlan	0.909	-	0.909
2	-	GPS Nakhlore	-	0.036	0.036
3	-	GPS Haleem Pur	0.079	0.095	0.174
4	-	GES Joiya Abad	0.130	-	0.130
5	-	GPS That Waran	-	0.032	0.032
Sub Total			1.117	0.163	1.281
List of Shelter less Schools					
1	31210155	GPS Kharlan	0.908	-	0.908
2	31210574	GTPS Wahi Qadir Dina	-	0.029	0.029
3	31210578	GTPS Baqir Shah	0.023	-	0.023
4	31210147	GTPS Lalu Wala	-	-	-
Total			0.932	0.029	0.961
Grand Total					2.242

Due to weak administrative controls, expenditure was incurred on dangerous declared buildings and shelter less schools.

Incurring expenditure on dangerous declared buildings and shelter less schools resulted in wastage of public money.

The matter was reported to CEO and DDO concerned in August, 2019. DDO replied that expenditure was incurred before declaring schools building as dangerous by the building department. Further, expenditure by shelter less schools was made for payment of electricity, white wash and repair of boundary walls. Reply was not tenable as relevant record in support of reply was not produced.

DAC in its meeting held on 11.12.19 directed to produce the relevant record and get it verified from audit within two days. No further progress was intimated till finalization of this Report.

Audit recommends provision of complete record besides fixing responsibility on the person(s) at fault.

[AIR Para No. 14]

2.2.5.3 Others

2.2.5.3.1 Unauthorized payment of SSB after regularization – Rs 20.656 million

According to S&GAD (Regulation Wing) Notification No.SO/DS (O&M) (S&GAD) 5-3/2003 dated 01.03.13, employees working on contract was required to be regularized with immediate effect and the salary component of such employee shall be in accordance with the pay scales plus usual allowances prescribed for the posts against which they are being appointed. They will, however, not be entitled to the payment of 30% social security benefits in lieu of pension or any other pay package being drawn by them.

CEO (DEA) BWP made excess payment of Rs 20.656 million on account of Social Security Benefit (SSB) after regularization of services of the contract employees during 2018-19 in violation of above rule.

Due to weak financial controls, SSB was paid after regularization.

Payment of SSB after regularization resulted in loss of Rs 20.656 million.

The matter was reported to CEO in August, 2019. DDO replied that payment of SSB was admissible to the teachers as these were working on contract basis and were not yet regularized. Reply was not tenable as relevant record in support of reply was not produced.

DAC in its meeting held on 11.12.19 directed to expedite the recovery from the concerned. No further progress was intimated till finalization of this Report.

Audit recommends recovery of due amount from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No.20]

2.2.5.3.2 Irregular expenditure due to appointment of teachers below Prescribed Qualification – Rs 6.148 million

According to letter No. SOR-III-1-20/95 dated 01.02.1997; issued by S&GAD, Government of the Punjab, prescribed qualification for the post of PTC teacher was enhanced from Matric / PTC to F.A / PTC and advance increments on higher qualification were admissible if the qualification was above the prescribed qualification required for the post.

During audit of DEA Bahawalpur, it was observed that three (3) teachers working under the control of following three (3) DDOs were appointed on the basis of Matric despite the fact that required qualification for that post was enhanced to F.A / FSC in each case. Payment of pay and allowances without having prescribed qualification resulted in irregular expenditure of Rs 6.148 million. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	No. of Employee	Period of Audit	Amount
1	Dy. DEO (EE-W) Hasilpur	1	2017-19	2.239
2	Dy. DEO (EE-W) Yazman	1	2017-19	2.264
3	Head Mistress GGHS 48/DB Yazman	1	2017-19	1.645
Total				6.148

Due to weak managerial controls, employees were recruited without having prescribed qualification.

Recruitment of employees, having below qualification resulted in irregular payment of pay & allowances amounting to Rs 6.148 million.

The matter was reported to CEO and DDOs concerned in August, 2019. All DDOs replied that PTC teachers were appointment in consonance of advertisement published by the Secretary Education Government of the Punjab in which prescribed qualification for the post of PTC was Matric alongwith PTC diploma at that time. Replies were not tenable as prescribed qualification for the post was enhanced by the competent authorities.

DAC in its meeting held on 11.12.19 directed to get the expenditure regularized from the Finance Department within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 16, 09 & 11]

2.2.5.3.3 Loss due to payment of conveyance / mobility allowance – Rs 5.205 million

According to Government of the Punjab Education Department (School Wing) letter No. So (S-III) 1-2-16/2007 dated 24.09.2007, mobility allowance is not admissible during the period of leave. Furthermore, according to leave rules no pay and allowances would be payable during extra ordinary leaves.

Six (06) DDOs working under jurisdiction of CEO (DEA) BWP did not deduct conveyance/mobility allowance amounting to Rs 5.205 million from the teaching / non-teaching staff during vacations / leave period. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Period	Amount of conveyance Allowance Drawn		Total Recovery Due	Amount Recovered	Pending Amount
			Extra Ordinary Leave	Winter Vocation			
1	Dy. DEO (EE-M) Ahmed Pur East	2018-19	-	1.443	1.443	0	1.443
2	Dy. DEO (EE-W) Hasilpur	2017-19	-	0.471	0.733	0	0.471
3	Dy. DEO (EE-W) Bahawalpur Sadar	2017-19	-	2.231	2.231	0.094	2.137
4	Principal Higher Secondary School Lal Sohanra	2013-19	0.057	0.384	0.441	0	0.441
5	Principal Govt. Institute of Slow Learner	2008-19	-	0.713	0.713	0	0.713
6	Dy. DEO (EE-W) Yazman	2017-19	-	-	-	-	-
Total					5.561	0.094	5.205

Due to weak financial controls, conveyance/mobility allowance was paid during vacations / leave periods.

Payment of conveyance/mobility allowance during vacations / leave periods resulted in loss of Rs 5.205 million.

The matter was reported to CEO and DDOs concerned in August, 2019. All DDOs replied that recovery of amount due was initiated and change forms for recovery of conveyance allowance were sent to DAO but no progress was shown.

DAC in its meeting held on 11.12.19 directed to expedite the recovery from the concerned. No further progress was intimated till finalization of this Report.

Audit recommends recovery from the concerned besides fixing responsibility against the person(s) at fault.

[AIR Para No. 07, 14, 04, 09, 03, 10 & 17]

2.2.5.3.4 Non-realization of revenue due to non-registration of private schools – Rs 3.792 million

According to Government of the Punjab, School Education Department Letter No. SO(A-II)3-3/99(P) dated 22.01.2009 issued by the Secretary Schools Education, the initial period of registration of private institutions would be five years whereas, each extension on fulfilling the prescribed conditions would be for 10 years in case of self-owned buildings and for five years in case of rented buildings. Further, registration and annual inspection fee for each high / higher secondary school was Rs 7,000 and 1,000 respectively.

CEO (DEA) BWP failed to register 474 un-registered private schools of District Bahawalpur due to which government sustained a loss of Rs 3.792 million. These private schools were running without registration. Detail of loss is given below:

(Rupees in million)				
Sr. No.	Total unregistered schools	Registration fee	Inspection fee	Total revenue not recovered
1	474	7,000	1,000	3.792

Due to weak administrative controls, unregistered private schools were not got registered by District Education authority.

Non-registration of private schools by DEA resulted in loss to the public exchequer to the extent of Rs 3.792 million.

The matter was reported to CEO in August, 2019. DDO replied that NGO schools and CDA schools did not fall in the jurisdiction of DEA as well as literacy schools and Government schools were not required to be registered. However, letters were issued to remaining schools for the registration. Reply was not tenable as relevant record in support of reply was not produced.

DAC in its meeting held on 11.12.19 directed to expedite due recovery from the concerned. No further progress was intimated till finalization of this Report.

Audit recommends registration of private schools and recovery of dues from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No. 10]

2.2.5.3.5 Loss due to non-deduction of Provincial Sales Tax (PST) on services – Rs 2.542 million

According to finance act 2012 a Provincial Sales Tax (PST) on services was imposed by the Government. According to letter No. PRA/WH/DAO-127 dated 18.11.2015 issued by the Punjab Revenue Authority Multan, the withholding agents were liable to ensure that sales tax on services @ 16% is deducted and deposited before making any payment.

Various head teachers of Primary and Elementary schools working under the administrative control of Dy. DEO (EE-M) Ahmed Pur East incurred expenditure of Rs 8.183 million on repair works and Rs 7.707 million on white

wash of schools but Rs 2.542 million as provincial sales tax (PST) @ 16% was not deducted from the bills.

Due to weak financial management, Provincial Sales Tax (PST) was not deducted.

Non deduction of Provincial Sales Tax (PST) resulted in loss of Rs 2.542 million.

The matter was reported to CEO and DDO concerned in August, 2019. DDO replied that calculation made by audit include amount of repair & white wash whereas PST was admissible on services only. Reply was not supported with documentary evidences due to which actual amount could not be calculated.

DAC in its meeting held on 11.12.19 directed to expedite due recovery from the concerned within a week. No further progress was intimated till finalization of this Report.

Audit recommends recovery of due amount from the concerned and provision of complete record for verification besides fixing responsibility on the person(s) at fault.

[AIR Para No. 09]

3. District Education Authority Rahim Yar Khan

CHAPTER 1

Public Financial Management Issues

Regional Directorate of Audit District Governments Bahawalpur conducts Financial Attest Audit of the DAO Rahim Yar Khan of Education Department on annual basis.

Sectoral Analysis

i. Analysis of Financial Resources.

To achieve target assigned to PAO by Government of the Punjab, Financial resources as given below were made available to CEO (DEA), during 2018-19.

(Rupees in million)

2018-19	Budget	Expenditure	Excess (+) / Savings (-)	% Excess/ Savings
Salary	12,551.749	11,430.38	-1,121.366	-8.93%
Non-salary	1091.4564	228.887	-862.569	-79.03%
Development	147.224	149.967	2.743	1.86%
Receipts	-	-	-	-
Total	13,790.429	11,809.237	-1,981.192	-14.37%

*Source: Appropriation Accounts 2018-19

Development includes different schemes of Construction of dangerous buildings, provision of missing facilities and provision of IT labs in various schools. Some schemes could not be completed and an amount of Rs 2.743 million lapsed during the year 2018-19.

An Amount of Rs 9.775 million was allocated for purchase of physical assets out of which expenditure of Rs 8.453 million was incurred with lapse of Rs 1.322 million (13.52%).

Financial data shows that funds were not utilized to achieve the targets. An amount of Rs 1,981.194 million was lapsed due to inefficient management.

Analysis of Appropriation Accounts and Financial Statement (Certification Audit 2019-20)

The Appropriation Accounts and Financial Statements of DEA Rahim Yar Khan for the financial year 2018-19 properly present, in all material respects, the financial position of the District Education Authority, Rahim Yar Khan as at 30th June 2019.

During Certification Audit of DEA Rahim Yar Khan for the Audit Year 2019-20, it was noticed that difference between Financial Statements and Bank Balance remained un-reconciled till close of the financial year. Furthermore, there was difference of budget & expenditure between Appropriation Accounts and SAP data. And also there was no reporting of Fixed Assets in the Financial Statements.

The following issues surfaced during Certification Audit of District Education Authority Rahim Yar Khan.

- Difference of Rs 10.554 million between Financial Statement and Bank Statement
- Difference of Rs 2,658.850 million between Appropriation Account and SAP Data
- Incorrect Reporting of Assets – Rs 46.503 million

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department Punjab.

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Rahim Yar Khan was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab Monitoring Information Unit) being part of CM Roadmap 2014. The objectives of Roadmap were to improve education standards through improved environment, improved ratio of admission of students & their retention, zero tolerance to drop out, improvement of missing facilities in schools and improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements:

Indicators	Sr. No	Sub. Indicators	Targets	Achievement 2018-19 (%)	Remarks
Core Indicator	1.	Students attendance (Kachi-12)	88	89.85	Achieved
	2.	Teacher Presence	90	94.7	Achieved
	3.	Head Teacher Presence	90	94.44	Achieved
	4.	Availability of boundary wall	98	98.44	Achieved
	5.	Availability of drinking water	95	99.15	Achieved
	6.	Availability of Furniture	70	71.91	Achieved
	7.	Classrooms observations	80	90.51	Achieved
Infrastructure	8.	Safe building	98	97.01	Not Achieved
	9.	NSB Time Lines	90	-	Not Achieved
	10.	NSB Utilization	90	89.77	Not Achieved
	11.	Sufficiency of Toilets	74	81.52	Achieved
Retention Indicators	12.	Retention (Kachi-12)	97	99.32	Achieved
Monitoring and Management indicators	13.	School Hygiene	80	78.49	Not Achieved
Hot line Complaints resolution Indicators	14.	On Time resolution	90	95	Achieved

*Source: Data received from CEO DEA Rahim Yar Khan.

iii. Service Delivery Issues

From data analysis of DEA Rahim Yar Khan, the following service delivery issues were observed:

- Safe building was targeted 98%, while it could be achieved 97.01%.
- NSB utilization was targeted 90%, while it could be achieved 89.77%.
- School Hygiene was targeted 80%, while it could be achieved 78.49%.

iv. Serious Financial Irregularities and Findings

- Non production of record amounting to Rs 81.960 million was noted in 01 case.
- Irregularities and Non-compliance amounting to Rs 312.855 million were noted in 14 cases.

- Issue of value of money involving an amount of Rs 3.656 million was noted in 01 case.
- Issue of the other cases involving an amount of Rs 107.029 million was noted in 01 case

vi. Expectation Analysis and Remedial Measures

District Education Authority

CEO (DEA) achieved its overall targets in most of the fields except very few gaps have been observed in achievement of targets i.e safe buildings and school hygiene.

Suggestion / Remedial Measures

- Strengthening the internal controls, adopting and following strong regulatory framework, fair tendering and judicious use of funds.
- Shortage of teaching staff at different levels should be overcome.
- Timely utilization of NSB funds.
- Taking steps towards provision of furniture in every school.
- Ensuring safe and healthy environment for the students.
- Releasing specific funds for construction of toilet blocks.

DEA Rahim Yar Khan managed following educational facilities and institutes:

(Rupees in million)					
Sr. No.	Description	Total Nos.	Audited	Expenditure audited F.Y 2018-19	Revenue / Receipts audited F.Y 2018-19
1	Formations	201	8	6,134.725	-
2	Assignments Accounts	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	1	8	6,134.725	-
4	Foreign Aided Projects (FAP)	-	-	-	-

Following observations were surfaced during the audit of financial year 2018-19.

3.1.1 AUDIT PARAS

3.1.1.1 Un-reconciled difference between payments and receipts of Financial and Bank Statements – Rs 424.427 million

Risk Categorization: High

Observation:

According to paras 2.2.2.9 & 6.3.4.2 of APPM, the District Accounts Officers are responsible for the accounting functions of the districts and every DAO shall prepare a monthly reconciliation statement for expenditure and receipts.

During Financial Attest Audit on the accounts of DEA RYK for the Financial Year 2018-19, difference was noted in the bank statement and financial statement under the head receipts and payments. Further difference of Rs 13,918 was reported in cash balance of NBP RYK and State Bank of Pakistan, Karachi. Detail is given below:

(Amount in million)

Authority	Description	As per Statement of Cash Receipts and Payments i.e. Financial Statement for the year 2018-19 (Page No 1)	As per SBD statement for the year 2018-19	Difference
Education	Receipts	11,676.231	11,665.677	10.554
	Payments	11,809.237	11,395.378	413.859
	Closing Balance	332.388	332.388	-
Total		23,817.856	23,393.443	424.413

Implications:

- No clear picture of data of financial statement.
- Incorrect calculation and reporting in Financial Statement.
- Chances of errors and frauds could not be ruled out.

Management response:

DAO replied that there was no difference between balances of National Bank & District Education Authority Rahim Yar Khan.

Recommendations:

Audit recommends that bank statements should be reconciled and accurate balances should be reported in the financial statements.

3.1.1.2 Difference between appropriation Accounts and SAP Data – Rs 2,658.850 million

Risk Categorization: High

Observation:

According to Para 6 (e)(j)(k)(l) of Punjab District Authorities (Budget) Rules, 2017 Budget and Accounts Officer is responsible to communicate grants, through SAP-R/3, to drawing and disbursing officers and institutions of the District Authority to monitor the receipts and expenditure of the District Authority and institutions through System SAP R/3 and to maintain schedule of establishment of the District Authority, offices and institutions.

District Accounts Office RYK did not monitor the budget and expenditure of DEA during 2018-19 as audit noticed difference of Rs 2,658.850 million. Audit observed that reconciliation was not made between SAP R/3 system and Appropriation Accounts of DEA. Detail is given below:

(Rupees in million)

Particulars	As per Appropriation Accounts	As per SAP System Data (BER)	Difference
Original Allocation	12,357.427	12,363.804	-6.380
Supplementary Grant	1,433.003	976.367	456.640
Revised Budget / Final Grant	13,790.430	12,711.939	1,078.490
Actual Expenditure	11,809.237	10,679.142	1,130.100
Total			2,658.850

Implications

Difference in figures of grants recorded in SAP data and Appropriation Accounts may result in wrong presentation of accounts.

Management response:

District Education Authority is responsible to monitor budget & expenditure of the authority. District Education Authority was timely requested to correct any mis-classification/negative balances in the SAP system and reconcile the same.

Recommendation:

Audit recommends to investigate the matter for preparation of correct Appropriation Accounts to avoid any such lapses in future.

3.1.13 Non-reporting of Fixed Assets – Rs 46.503 million

Risk Categorization: High

Observation:

According to Section 13.4.1.1 of the APPM, the categories of assets shall include land & building, civil works, plant & machinery, vehicles, furniture & fixtures, office equipment and computer equipment. Further, according to Section 13.4.5.2 of the ibid, all DAOs shall prepare a fixed asset report from the fixed asset account on quarterly basis. Furthermore, according to Section 13.4.5.4 of ibid, the AG shall consolidate the above information for including in the annual accounts.

District Accounts Officer, Rahim Yar Khan made payments amounting to Rs 46.503 million for procurement of assets (A09) by the District Education Authority during financial year 2018-19. Contrary to the above referred Principle, the expenditure was not included in statement of Capital Expenditure and in the asset side of Balance Sheet.

Implications:

Non-reporting of Fixed Assets resulted in violation of above mentioned Principle.

Management response:

DDO wise list is annexed in the light of para 13.4.5.1 of APPM. Further, similar observations have already been settled on 19.05.2015 for the audit year 2011-2012 & 2012-2013.

Recommendation:

Audit recommends to provide justification for non reporting of fixed assets in the balance sheet besides reporting the same in balance sheet in future.

CHAPTER 2

DEA RAHIM YAR KHAN

3.2.1 Introduction of the Authority

District Education Authority Rahim Yar Khan was established on 01.01.2017 under Punjab Local Governments Act, 2013. DEA, Rahim Yar Khan is a body corporate having perpetual section and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

CEO is the Principal Accounting Office of the District Education Authority and is responsible to the public accounts committee of the Provincial Assembly. He is responsible to ensure the business of the DEA Group of Offices is carried out in accordance with the laws and to coordinate the activities for groups of offices for coherent planning, development, effective and efficient functioning of the District Administration.

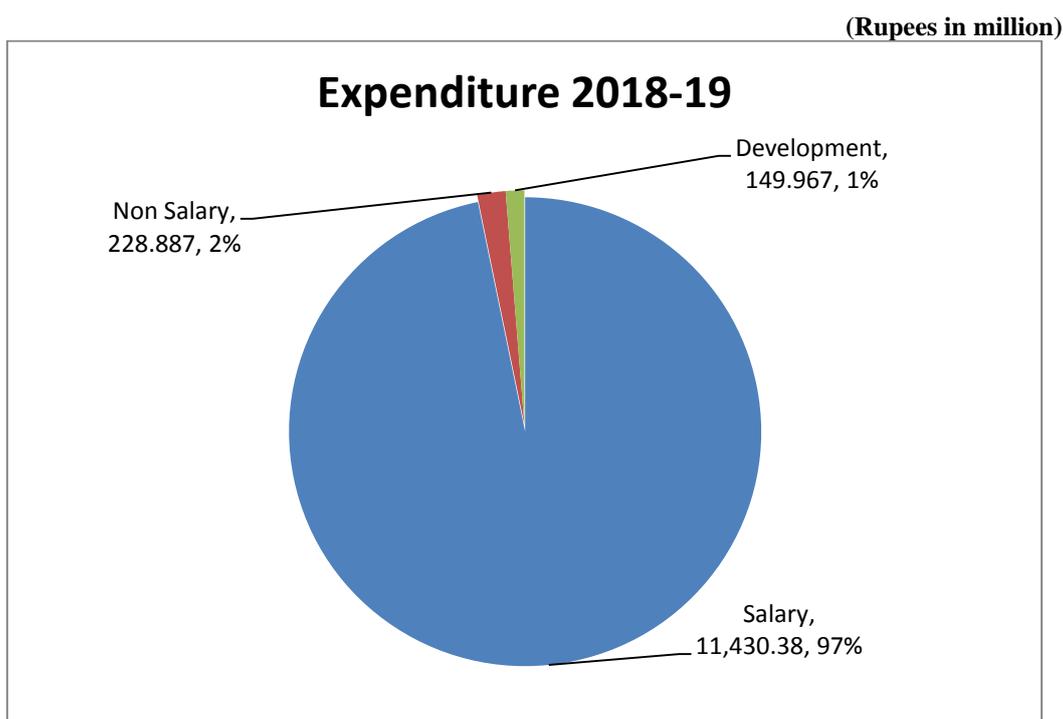
DEA Rahim Yar Khan manages following Educational Facilities and institutes:

Description	No. of Education Facility/Institute
Primary School	2112
Middle Schools	358
High Schools	232
Higher Secondary Schools	24
Dy. DEO (EE-M)	04
Dy. DEO (EE-W)	04
DEO (Elementary Education)	02
DEO (Secondary Education)	01
CEO (District Education Authority)	01

3.2.2 Comments on Budget and Accounts (Variance analysis)

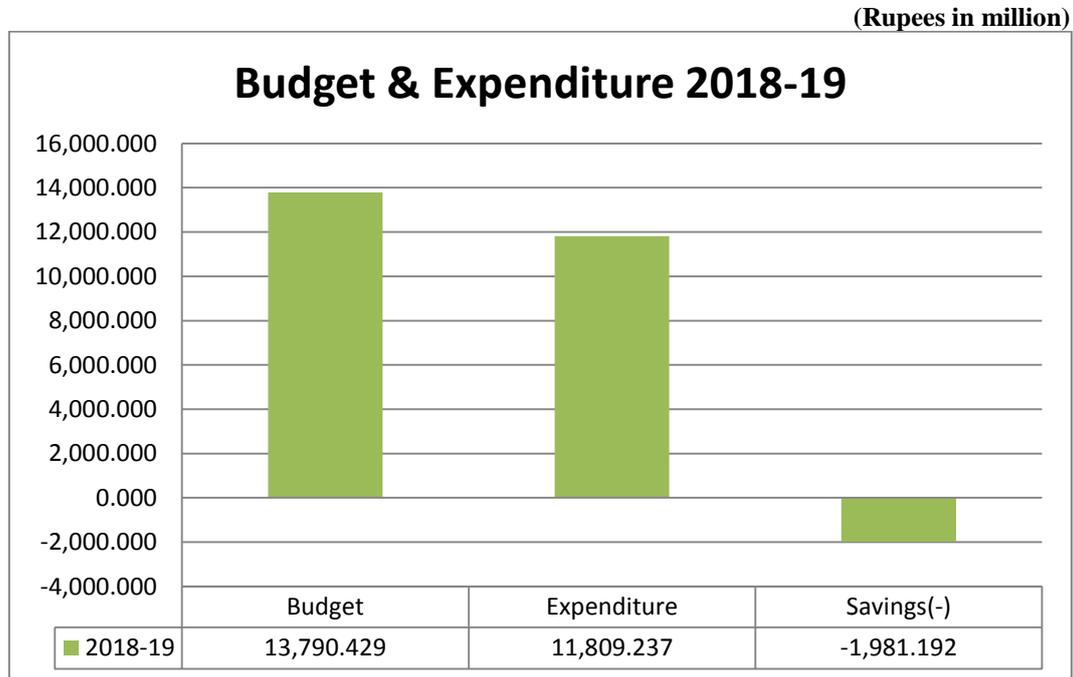
The detail of budget and expenditure is given below in tabulated form:

(Rupees in million)				
2018-19	Budget	Expenditure	Excess (+) / Savings (-)	% Excess/ Savings
Salary	12,551.749	11,430.38	-1,121.366	-8.93%
Non-salary	1091.4564	228.887	-862.569	-79.03%
Development	147.224	149.967	2.743	1.86%
Receipts	-	-	-	-
Total	13,790.429	11,809.237	-1,981.192	-14.37%



As per the Appropriation Accounts 2018-19 of the District Education Authority, Rahim Yar Khan, total final budget (Development & Non-Development) was Rs 13,790.429 million. Against the final budget, total

expenditure of Rs 11,809.237 million was incurred by the District Education Authority during 2018-19. A lapse of Rs 1,981.192 million came to the notice of Audit due to inefficient financial management in release of budget. No plausible explanation was provided by the PAO and management of the District Education Authority (**Annexure-B**).



3.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 505.499 million were raised as a result of this audit. This amount also includes recoverable amount of Rs 119.833 million pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount
1	Non Production of record	81.960
2	Reported cases of fraud, embezzlement and misappropriation	-

Sr. No.	Classification	Amount
3	Irregularities	
A	HR/Employees related irregularities	218.541
B	Procurement related irregularities	86.917
C	Management of Accounts with Commercial Banks	7.397
4	Value for money and service delivery issues	3.656
5	Others	107.029

3.2.4 Comments on the Status of Compliance with PAC directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee so far.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	05	PAC not constituted
2	2018-19	27	PAC not constituted

3.2.5 AUDIT PARAS

3.2.5.1 Non-Production of Record

3.2.5.1.1 Non production / maintenance of record – Rs 81.960 million

According to Section 14 (1) (a) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance, “the Auditor General shall in connection with the performance of his duties under this ordinance, have authority to inspect accounts of any office, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts.

Various DDOs under jurisdiction of CEO (DEA) RYK did not produce record of expenditure and receipt of Rs 81.960 million under different objects / codes of classification during 2008-19. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Amount	Description
1	Dy. DEO (EE-W) RYK	55.225	Misc. record i.e monthly reconciliation statements, contingent Bills, Record of Shelter-less Schools, and record of Employees, appointed, recruited, promoted, upgraded, resigned, terminated, performance indicators, etc.
2	GBHSS Taj Garh	4.529	Misc. record i.e repair register / History Sheet Register, old / replaced parts register, File index register, Order books, Monthly Pay Rolls / bills for the FY 2015-19, record for payment of medical charges, leave encashment and financial assistance and arrear bills etc.
3	Dy. DEO (EE-M) KPR	-	Misc. record i.e adjustment bills of Inspection Allowances of AEO, Service Books, Long Leave Registers, POL Consumption Certificate, Dead Stock Registers, History Sheet Registers, Payroll Files / Salary Slips, Permanent Stock Register and Stationery Register etc.
4	CEO (DEA)	-	Misc. record i.e Service Books / personal files, Approved tour programs of officers, record of old building material replaced with new constructions, Record of Unserviceable Stock. Receipt Record of all Revenue heads. Detail of employees availing Official Residences and Record of

Sr. No.	DDOs	Amount	Description
			Residences & Rest Houses etc.
5	GBHSS Feroza	5.614	Monthly Reconciliation Statements, Old replace Parts Register, File Index Register, and Record of Employees, appointed, recruited, promoted, upgraded, resigned, terminated, leave encashment record.
6	GGHS Railway Colony KPR	16.591	Vouched Account, expenditure statement, payment of Arrear and History Sheet.
7	Dy. DEO (EE-M) SDK	-	Misc. record i.e Cash Book, Schedule of payment, Budget Control Register, service books, tour programmes, history sheets and SMC, NSB & FTF etc.
Total		81.959	

Due to weak internal controls and willful evasion from audit, record was neither properly maintained nor produced for audit verification.

Non production of record created doubts regarding legitimacy of expenditure incurred for Rs 81.959 million.

The matter was reported to CEO and DDOs concerned in July to October, 2019. Dy. DEO (EE-W) RYK did not submit reply. Principal GBHSS Feroza replied that letter was written to the concerned Ex. Principal / DDO for reply. All other DDOs replied that all the record was available and would be produced as and when demanded by audit. Replies were not tenable as neither record was produced during audit nor at the time of record verification.

DAC in its meeting held on 03.12.19 directed to get the relevant record verified from audit within a week. No further progress was intimated till finalization of this Report.

Audit recommends that desired record be produced for verification at the earliest and necessary action be initiated against the person(s) who evaded provision of record.

[AIR Para No. 28, 15, 23, 22, 18, 17 & 22]

3.2.5.2 Irregularities

3.2.5.2.1 Loss due to non collection of Pension Contribution (PC) – Rs 85.793 million

According to Para 5 of Government of the Punjab, Finance Department Letter No.FD(DG)1-Instructions-Act-13/2016 dated 25.05.2017, the concerned District Authority shall transfer the monthly pension contribution @ 40% of the pay of serving MC/Zila Council employees of Education and Health sector w.e.f. 01.01.2017 to the District Education Authority Pension Fund in prescribed manner.

CEO (DEA) RYK did not collect pension contribution of Rs 85.793 million from teachers, who served in MC schools for the period August, 2002 to December, 2016. The employees performed their duties for MCs but 40% proportion of pension contribution was still awaited from the served department.

Annexure-C/CEA RYK

Due to weak financial controls, pension contribution was not collected.

Non collection of pension contribution resulted in loss of Rs 85.793 million

The matter was reported to CEO in August, 2019. DDO replied that letters regarding collection of PC @ 40% were written to the concerned MCs but no progress was shown to audit.

DAC its meeting held on 03.12.19 directed to expedite the process and recover said amount from the concerned within 15 days. No further progress was intimated till finalization of this Report.

Audit recommends recovery from the concerned MCs besides fixing responsibility on the person(s) at fault.

[AIR Para No. 12]

3.2.5.2.2 Irregular drawl of arrears without provision of additional budget – Rs 77.639 million

According to Rule 2.27 of PFR Vol-1, no payment of pay and allowances be made on account of arrears of pay and allowances until additional budget hereby caused has been duly sanctioned and provided in the budget estimates.

Three (03) DDOs working under jurisdiction of CEO (DEA) RYK made payment to the employees on account of arrear bills of pay and allowances amounting to Rs 77.639 million without obtaining additional budget in violation of above mentioned rule. Detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) RYK	55.195
2	Dy. DEO (EE-M) KPR	21.546
3	Principal GGHS Railway Colony KPR	0.898
Total		77.639

Due to financial indiscipline arrear bills were drawn without obtaining additional budget.

Drawl of arrear bills without obtaining additional budget resulted in irregular expenditure of Rs 77.639 million.

The matter was reported to CEO and DDOs concerned in August and September, 2019. Dy. DEO (EE-W) RYK did not submit reply. Dy. DEO (EE-M) KPR replied that expenditure was made according to additional budget allocated by the competent authority. Principal GGHS Railway Colony KPR replied that sufficient balance was available in the relevant years for drawl of arrear bills. Replies were not tenable as neither additional fund was demanded nor approval for drawl of arrears from current year's budget was obtained from the competent authority.

DAC in its meeting held on 03.12.19 directed to get the relevant record verified from audit within a week or get the expenditure regularized from the

competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 16, 02, 8]

3.2.5.2.3 Irregular payment of inspection allowance without observing KPIs – Rs 38.838 million

According to Government of the Punjab School Education Department Notification No SO (Budget) 1-15/2013(VOL-II) “Inspection Allowance will be allowed subject to verifiable Key Performance Indicators (KPI) developed by school education department with DIFD vide Notification No. SO (III) 5-225/2017 dated 12.09.2017. Further, according to Sr. No.2(iii) letter dated 05.10.2018 issued from AG Punjab the payment of Inspection allowance is subject to verification of the key performance indicators by the respective CEO/DEO in the following month.

Four (04) DDOs working under jurisdiction of CEO (DEA) RYK paid Inspection Allowance amounting to Rs 38.838 million to AEOs through manual system. The record showed that payments through monthly payroll were made instead of payment through adjustment bills without verification of Key Performance Indicators (KPIs). Furthermore, payments were also made without verification of KPIs from the CEO/DEO in violation of above instructions. Detail is given below:

(Rupees in million)			
Sr. No.	DDOs	No. of AEOs	Amount
1	Dy. DEO (EE-W) RYK	29	6.947
2	Dy. DEO (EE-W) KPR	-	6.261
		-	1.550
		4	0.240
3	Dy. DEO (EE-M) KPR	31	5.075
		23	4.939

Sr. No.	DDOs	No. of AEOs	Amount
4	Dy. DEO (EE-M) SDK	(2017-18) 36 & (2018-19) 33	13.826
Total			38.838

Due to weak financial controls, Inspection Allowance was paid to the AEOs without verification of KPIs.

Payment of Inspection Allowance without observing KPIs resulted in irregular expenditure of Rs 38.838 million.

The matter was reported to CEO and DDOs concerned in August to October, 2019. Dy. DEO (EE-W) RYK did not submit reply. Dy. DEO (EE-W) KPR, Dy. DEO (EE-M) KPR and Dy. DEO (EE-M) SDK replied that said allowance has been paid to the AEOs after observing all codal formalities. Replies were not tenable as relevant record in support of reply i.e. verifiable key performance indicators and approval / recommendation of the CEO (DEA) RYK was not produced.

DAC in its meeting held on 03.12.19 directed to get the relevant record verified from audit within a week or recover said amount from the concerned within 15 days. No further progress was intimated till finalization of this Report.

Audit recommends recovery of amount from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No. 12, 02, 04, 05, 04, 07 & 06]

3.2.5.2.4 Irregular expenditure due to violation of school council policy – Rs 33.140 million

According to Sections 4.4.7, 4.9.1, 4.8.1, 4.9.3 of School Council's policy notified in 2007 vide letter No. SO(S.III) dated 06.08.2007, development works shall be got executed according to the Government approved design and specifications, up to financial limit of Rs 400,000 during a financial year and detail of items mentioned in school council policy. Further, as per para 2.6 of NSB guidelines, if an item is not listed in positive list then prior approval of the EDO / CEO would be sought for before including such expenditure in School

Based Action Plan (SBAP) of the school. Furthermore, according to Para No. 3.1.2 of said policy, School council will be consisted of (1) Parents members (50%) (2) Teacher Member (one) (3) General members (remaining members).

Five (05) DDOs working under the administrative control of CEO (DEA) RYK incurred expenditure of Rs 33.140 million by violating the school council policy in different manners as detailed in **Annexure-D/DEA RYK**.

Due to weak financial controls, expenditure was incurred in violation of school council policy and NSB guidelines.

Expenditure in violation of school council policy and NSB guidelines resulted in irregular expenditure of Rs 33.140 million.

The matter was reported to CEO and DDOs concerned in July to October, 2019. Dy. DEO (EE-W) RYK did not submit reply. Principal GBHSS Feroza replied that letter was written to the concerned Ex. Principal / DDO for reply. Dy. DEO (EE-M) SDK replied that record would be submitted in the next meeting. Dy. DEO (EE-M) KPR and Principal GBHSS Taj Garh replied that expenditure was incurred after observing all codal formalities, Replies were not tenable as relevant record in support of replies was not produced.

DAC in its meeting held on 03.12.19 directed to get the relevant record verified from audit within a week. No further progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 24, 22, 25, 15, 21, 13, 14 & 13]

3.2.5.2.5 Non / less deduction of taxes and non-availability of CPRs – Rs 28.036 million

According to Section 153 (a) of Income Tax Ordinance, 2001, income tax at source is required to be deducted from the firms concerned. Further, according to Government of the Punjab instructions vide letter No. D.O. No. 5(21)

L&D/97-4910/FS dated 03/10/1997, the proof of general sales tax deposited into Government treasury is necessary. Moreover, according to finance act 2012, a Provincial Sales Tax (PST) on services was imposed by the Government.

Following DDOs working under the jurisdiction of CEO (DEA) RYK did not deduct relevant taxes on prescribed rates from the bills of suppliers amounting to Rs 28.036 million for the year 2008-19. Furthermore, Computerized Payment Receipts (CPRs) were also not obtained from suppliers regarding deposit of amount of deducted taxes under the relevant object code into Government Treasury. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Period	Amount
1	Dy. DEO (EE-M) KPR	2017-19	0.106
			1.644
2	Dy. DEO (EE-W) KPR	2017-19	2.248
3	Dy. DEO (EE-M) SDK	2017-19	18.348
			1.986
4	Dy. DEO (EE-W) RYK	2018-19	0.148
5	Principal GBHSS Feroza	2015-19	2.273
6	Principal GBHSS Taj Garh	2015-19	0.075
			0.207
7	Principal GGHSS Railway Colony KPR	2008-19	0.827
			0.174
Total			28.036

Due to weak internal controls, payments were made without deduction of prescribed rates of taxes and without obtaining CPRs.

Payments without deduction of prescribed rates of taxes and without obtaining CPRs resulted in loss of Rs 28.036 million.

The matter was reported to CEO and DDOs concerned in July to October, 2019. Dy. DEO (EE-W) RYK did not submit reply. Principal GBHSS Feroza replied that letter was written to the concerned Ex. Principal / DDO to reply the Para. Principal GBHSS Taj Garh replied that labor services were availed locally and payments were made from time to time. Principal GGHSS Railway Colony

KPR replied that all the purchases and expenditure was made as per need and sales tax was paid by the concerned firms. All other DDOs replied that concerned firms were requested to provide CPRs. Replies were not tenable as compliance regarding deduction of taxes and proof for deposit of GST and income tax i.e. CPRs were not produced for verification.

DAC in its meeting held on 03.12.19 directed to produce relevant record for verification within a week. No further progress was intimated till finalization of this Report.

Audit recommends recovery and obtaining of CPRs from the concerned besides fixing responsibility on the person (s) at fault.

[AIR Para No. 17, 19, 14, 13, 14, 07, 16, 06, 08, 14 & 16]

3.2.5.2.6 Overpayment due to purchase of different items on higher rates – Rs 9.517 million

According to Rule 2.33 of PFR Vol-1, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Different schools working under the administrative control of Dy. DEO (EE-M) Sadiq Abad made excess payment of Rs 9.517 million during 2017-19 due to purchase of similar items on higher rates. The record showed that different rates were paid for same type of store items by the same school or any other school for similar items and in excess of market rates.

Due to financial mismanagement, procurement of similar items was made at higher rates.

Payment of excess rates for similar items resulted in loss of Rs 9.517 million.

The matter was reported to CEO and DDO concerned in September, 2019. DDO replied that all items were purchased according to demand of school at rates

provided in local areas with the approval of school council. Reply was not tenable as higher rates were paid for the same items even from the same supplier.

DAC in its meeting held on 03.12.19 directed Deputy Director (B&A) to enquire the matter and submit report within 15 days. No further progress was intimated till finalization of this Report.

Audit recommends recovery of overpaid amount from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No. 15]

3.2.5.2.7 Loss due to non deduction of conveyance / mobility allowance during vacation and leave periods – Rs 7.545 million

According to Government of the Punjab Education Department (School Wing) letter No. So (S-III) 1-2-16/2007 dated 24.09.2007, mobility allowance is not admissible during the period of leave. Furthermore, according to leave rules no pay and allowances would be payable during extra ordinary leaves. Further according to the Government of the Punjab Finance Department letter No. SR, 1.9-4/86(P) (PR) dated 04.12.2012 (clarification), conveyance allowance is allowed for travelling from house to office and vice versa.

Four (04) DDOs working under jurisdiction of CEO (DEA) RYK did not deduct conveyance / mobility allowance amounting to Rs 7.545 million from the teaching / non-teaching staff during leaves or vacations. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Period	Amount	Description
1	Dy. DEO (EE-W) RYK	2018-19	2.746	Conveyance Allowance Winter Vacations
2	Dy. DEO (EE-M) KPR	2017-19	2.554	Conveyance Allowance during Vacations
3	Dy. DEO (EE-M) SDK	2017-19	1.884	Conveyance Allowance during Vacations
4	GGHS Railway Colony KPR	2008-19	0.361	Conveyance Allowance during Vacations
Total			7.545	

Due to weak financial controls conveyance/mobility allowance was paid during leave and vacation periods.

Payment of conveyance/mobility allowance during leave and vacation periods resulted in loss of Rs 7.545 million to government.

The matter was reported to CEO and DDOs concerned in August to October, 2019. Dy. DEO (EE-W) RYK did not submit reply. Dy. DEO (EE-M) KPR replied that compliance would be submitted in the next meeting. Dy. DEO (EE-M) SDK replied that DAO RYK deducted recovery of conveyance allowance from the salaries of the concerned employees. Principal GGHS Railway Colony KPR replied that the period of winter vacation was declared as holidays by the honorable courts so no recovery was affected. Replies were not tenable as no record was produced for verification.

DAC in its meeting held on 03.12.19 directed to recover said amount from the concerned within 15 days. No further progress was intimated till finalization of this Report.

Audit recommends recovery of amount from the concerned besides fixing responsibility against the person(s) at fault.

[AIR Para No. 17, 08, 02 & 03]

3.2.5.2.8 Unjustified retention of funds of schools shifted to PEF – Rs 7.397 million

According to Rule 2.33 of PFR Vol-1, “every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence”.

Record of three (03) DDOs working under jurisdiction of CEO (DEA) RYK revealed that schools were handed over to PEF in different spans of time without closing of bank accounts. Further, cash balances of Rs 7.397 million

were also available in their bank accounts at the time of shifting which was not transferred back to government treasury. Detail is given below:

(Rupees in million)			
Sr. No.	DDOs	No. of Schools	Amount
1	Dy. DEO (EE-W) RYK	48	2.424
2	Dy. DEO (EE-M) KPR	17	1.726
3	Dy. DEO (EE-M) SDK	29	3.247
Total		94	7.397

Due to weak financial controls, cash balances of schools (handed over to PEF) were not transferred to government treasury.

Non transfer of cash balances into government treasury resulted in undue retention of public money of Rs 7.397 million.

The matter was reported to CEO and DDOs concerned in August to October, 2019. Dy. DEO (EE-W) RYK did not submit reply. Dy. DEO (EE-M) KPR and SDK replied that funds were available in bank accounts of the schools which would be shifted as per directions of higher authorities but no compliance was shown.

DAC in its meeting held on 03.12.19 decided to keep the para pending till decision by the authorities. No further progress was intimated till finalization of this Report.

Audit recommends shifting of funds to government treasury besides fixing responsibility on the person(s) at fault.

[AIR Para No. 18, 15 & 11]

3.2.5.2.9 Non-accountal into stock – Rs 7.034 million

According to Rule 15.4 of PFR Vol-1, “All materials received should be examined, counted, measured and weighed, as the case may be when delivery is taken and they should be kept in charge of a responsible Government Servant”.

Three (03) DDOs working under jurisdiction of CEO (DEA) RYK made payment of Rs 7.034 million for purchase of general store items during 2015-19 but those items were not entered / accounted for into relevant stock registers. Detail is given below:

(Rupees in million)			
Sr. No.	DDOs	Period	Amount of Para
1	Dy. DEO (EE-M) SDK	2017-19	1.830
2	Dy. DEO (EE-M) KPR	2017-19	0.135
3	Principal GBHSS Feroza	2015-19	5.069
Total			7.034

Due to weak internal controls, various items were consumed without entering into relevant stock registers.

Consumption of items without entering in relevant stock registers resulted in doubtful expenditure of Rs 7.034 million.

The matter was reported to CEO and DDOs concerned in August to October, 2019. Dy. DEO (EE-M) SDK and KPR replied that relevant stock was entered into stock register. Principal GBHSS Feroza replied that letter was written to the concerned Ex. Principal / DDO to reply the Para. Replies were not tenable as neither stock registers were produced during audit nor at the time of record verification.

DAC in its meeting held on 03.12.19 directed to get the relevant record verified within a week or recover said amount from the concerned within 15 days. No further progress was intimated till finalization of this Report.

Audit recommends recovery of amount from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No. 17, 25 & 15]

3.2.5.2.10 Irregular expenditure without observing PPRA rules – Rs 5.940 million

According to Rules 9 and 12 of the Punjab Procurement Rules 2009 and the Punjab Procurement Rules 2014, procuring agency shall announce proposed

procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned and annual requirements thus determined would be advertised in advance on the PPRA's website. Procurement opportunities over Rs 100,000 and upto Rs 2,000,000 shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time.

Seven (07) DDOs working under jurisdiction of CEO (DEA) RYK incurred expenditure of Rs 5.940 million during 2008-19 on purchase of stationery, furniture and building material items. Annual procurement requirements were neither determined nor advertised on PPRA's website to obtain competitive rates. Moreover, procurements were made either without calling tenders / advertisement on PPRA's website or cost of procurement was split by keeping cost of each bill below the financial limit of Rs 100,000 to avoid tendering and Rs 50,000 to avoid quotations. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Amount	Description
1	Dy. DEO (EE-W) RYK	0.399	Stationery and Other Items
		1.702	Furniture Items
2	Dy. DEO (EE-W) KPR	0.398	Stationery and Other Items
3	GBHSS Taj Garh	1.015	Building Material Items and Labour
4	Dy. DEO (EE-M) KPR	0.689	Stationery and Other Items
5	CEO (DEA) RYK	0.236	Stationery and Other Items
6	GGHS Railway Colony KPR	0.400	Furniture
7	Dy. DEO (EE-M) SDK	1.101	Stationery and Other Items
Total		5.940	

Due to weak internal controls and lack of planning, procurement was made without observing PPRA rules.

Procurement without observing PPRA rules resulted irregular expenditure of Rs 5.940 million.

The matter was reported to CEO and DDOs concerned in August to October, 2019. Dy. DEO (EE-W) RYK did not submit reply. Dy. DEO (EE-W), (EE-M) KPR and SDK replied that expenditure was incurred after observing

PPRA Rules. Principal GBHSS Taj Garh replied that Non Salary Budget was received in installments from PMIU Lahore and expenditure was made accordingly. CEO (DEA) replied that purchase of stationery was made on need basis and release was made on quarterly basis. Principal GGHS Railway Colony KPR replied that procurement was made after advertisement and supplies were received in time. Replies were not tenable as annual demand was not consolidated at the start of financial year in violation of Rule 8 of PPRA Rules, 2014 and procurement was made in violation of PPRA Rules and NSB Guidelines.

DAC in its meeting held on 03.12.19 directed to get the expenditure regularized from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 01, 21, 01, 12, 18, 07, 04 & 08]

3.2.5.2.11 Irregular expenditure due to appointment of teachers below prescribed qualification – Rs 4.576 million

According to Government of the Punjab, S&GAD letter No. SOR-III-1-20/95 dated 01.02.1997, prescribed qualification for the post of PTC teacher was enhanced from Matric + PTC to F.A + PTC.

During audit of DEA RYK, it was observed that two (02) teachers working under the control of following two (2) DDOs were appointed on the basis of Matric despite the fact that required qualification for that post was F.A / F.Sc in each case. Recruitment of persons who did not meet prescribed qualification resulted in irregular expenditure of Rs 4.576 million on their pay & allowances. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Name of Employee	Qualification	Amount
1	Dy. DEO (EE-W) KPR	Mrs. Farhat Naseem	Matric + PTC	2.281
2	GBHSS Feroza	Mr. Muhammad Akram Sajid	Matric + PTC	2.295
Total				4.576

Due to weak managerial controls, employees were recruited having below qualification.

Recruitment of employees below prescribed qualification resulted in irregular payment of pay & allowances amounting to Rs 4.576 million.

The matter was reported to CEO and DDOs concerned in July to October, 2019. DDOs replied that the teachers were appointed in accordance with the advertisement published / floated by the Secretary School Education Department Lahore. Replies were not tenable as qualification was enhanced since 01.02.1997 and appointment was made after this enhancement.

DAC in its meeting held on 03.12.19 directed to get the irregularity condoned from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 11 & 02]

3.2.5.2.12 Difference due to non reconciliation of FTF cash book with bank statement – Rs 3.250 million

According to Rule 2.32 of PFR Vol-1, it is not sufficient that a Govt. servant's accounts should be correct to his own satisfaction. He has to satisfy not only himself but also to audit, that a claim which has been accepted is valid. It is necessary that all accounts should be so kept and details so fully recorded, as to afford the requisite means for satisfying any enquiry that may be made into the particulars of any case. It is further added that the record of payments,

measurement and transactions in general must be so clear, explicit and self-contained as to be producible as satisfactory and convincing evidence of facts.

Principal GBHSS Feroza did not reconcile the cash book and bank statement of FTF which revealed difference of Rs 3.250 million in cash received and expenditure during 2015-19. Total receipts of Rs 943,203 and expenditure of Rs 929,367 was reported in cash book but bank statement showed total receipt of Rs 2,498,219 and expenditure of Rs 2,624,388 as detailed below:

(Rupees in million)				
Sr. No.	Description	Balance as per Cash Book	Balance as per Bank Statement	Difference
1	Cash Received	0.943	2.498	1.555
2	Expenditure	0.929	2.624	1.695
Total				3.250

Due to weak internal controls, reconciliation of FTF cash book with bank statement was not prepared.

Non reconciliation of FTF cash book and bank statement resulted in doubts on legitimacy of the expenditure.

The matter was reported to CEO and DDO concerned in September, 2019. DDO replied that a letter was written to the Ex-Principal / DDO to submit reply of this para. Reply was not tenable as it was responsibility of current DDO to submit reply.

DAC in its meeting held on 03.12.19 directed to ensure compliance within 15 days. No further progress was intimated till finalization of this Report.

Audit recommends reconciliation of cash book with bank statement besides fixing responsibility on the person(s) at fault.

[AIR Para No. 10]

3.2.5.2.13 Overpayment to employees on account of irregular award of advance increments – Rs 2.547 million

According to Finance Department letter No. FD-PR-21-3/2013 dated 17.11.2014 it is clarified that wrong drawl of advance increments is waived of up

to 23.09.2013 and the amount drawn on account of advance increments after this date is recoverable and the withdrawal of advance increments is related to all school teachers.

Three (03) DDOs working under the jurisdiction of CEO (DEA) RYK made overpayment of Rs 2.547 million on account of advance increments on acquiring of higher qualification to various teachers and did not re-fix their pay. Detail is given below:

(Rupees in million)			
Sr. No.	DDOs	No. of Employees	Amount
1	Principal GBHSS Taj Garh	02	0.538
		04	1.076
2	Principal GBHSS Feroza	01	0.150
		02	0.476
		01	0.115
3	Principal GGHS Railway Colony KNP	01	0.192
Total		11	2.547

Due to weak internal controls, pay of teachers was not re-fixed in the light of Finance Department's directions.

Non re-fixation of pay and allowances of teachers as per government instructions resulted in over payment of Rs 2.547 million.

The matter was reported to CEO and DDOs concerned in August to October, 2019. DDOs replied that increments were drawn as per entitlement. Further, the matter was sub-judice in the court of law. Replies were not tenable as pay was not re-fixed in accordance with the directions of Finance Department.

DAC in its meeting held on 03.12.19 decided to keep the paras pending till decision of the court. No further progress was intimated till finalization of this Report.

Audit recommends recovery besides re-fixation of pay & allowances and fixing responsibility on the person (s) at fault.

[AIR Para No. 02, 03, 03, 04, 05 & 01]

3.2.5.2.14 Irregular payment in excess of sanctioned post – Rs 1.603 million

According to Sr. No.1 Note: I of District Authorities delegation of Financial Power Rules 2017, orders regarding abolition of posts shall be reasoned and communicated to the Accountant General Punjab / District Accounts Officer concerned, the District Authority and Finance Department.

Principal GBHSS Feroza made payment of pay and allowances of Rs 1.603 million to an employee who was working in excess of sanctioned post. Scrutiny of record revealed that two employees were drawing pay and allowances against one sanctioned post resulting in irregular expenditure thereof.

Due to negligence of the management, payment of pay and allowances was made in excess of sanctioned post.

Payment of pay and allowances in excess of sanctioned post resulted in irregular expenditure of Rs 1.603 million.

The matter was reported to CEO and DDO concerned in September, 2019. Principal GBHSS Feroza replied that posts of concerned teachers were clarified from CEO / DEA RYK and a letter was also written to the Ex-Principal / DDO also to clarify the matter. Reply was not tenable as payment was made without having sanctioned post.

DAC in its meeting held on 03.12.19 directed to get the irregularity condoned from the competent authority within a month besides posting of incumbent against sanctioned post. No further progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority and posting of employee against sanctioned post besides fixing responsibility on the person(s) at fault.

[AIR Para No. 08]

3.2.5.3 Value for Money and Service Delivery

3.2.5.3.1 Wastage of fund on dangerous school buildings – Rs 3.656 million

According to Rule 2.33 of PFR Vol-1, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Twenty eight (28) schools working under the administrative control of two (02) DDOs of DEA RYK incurred expenditure of Rs 3.656 million from NSB during 2017-19 on buildings of schools which were declared as dangerous or were shelter less. Detail is given below:

(Rupees in million)			
Sr. No.	DDOs	No. of Schools	Amount
1	Dy. DEO (EE-M) KPR	9	2.526
2	Dy. DEO (EE-M) SDK	19	1.129
Total		28	3.655

Due to weak financial management and poor administrative controls, funds were transferred to dangerous / shelter less schools.

Utilization of funds by the dangerous / shelter less schools resulted in unjustified expenditure of Rs 3.656 million.

The matter was reported to CEO and DDOs concerned in August to October, 2019. Dy. DEO (EE-M) SDK replied that said buildings were wrongly declared as dangerous and after the survey of technical team these were declared as non dangerous. Dy. DEO (EE-M) KPR replied that the concerned heads of schools were informed and record would be produced after detailed investigation. Replies were not tenable as no record in support of reply was produced.

DAC in its meeting held on 03.12.19 directed DEO (EE-M) RYK to inquire the matter and submit report with complete documentary evidences within 15 days. No further progress was intimated till finalization of this Report.

Audit recommends early completion of inquiry of the matter besides appropriate actions against the person(s) at fault.

[AIR Para No. 14 & 23]

3.2.5.4 Others

3.2.5.4.1 Non Utilization of NSB Budget – Rs 107.029 million

According to clause 4.9 of School Council Policy Edition 2017 approved by School Education Department, Government of the Punjab, School Council funds will be utilized on prescribed purposes and during a financial year a school council can incur up to the maximum of Rs 0.400 million.

Head teachers of one sixty eight (168) Elementary and Primary Schools working under the administrative control of following three (03) DDOs of DEA RYK did not promptly utilize NSB funds amounting to Rs 107.029 million. The record showed that NSB grants were issued to the schools to meet the needs of students but funds were not fully utilized which showed either excess funds were transferred to schools or due to poor financial management of head of schools and weak monitoring of AEOs, funds could not be utilized for the betterment of students. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Period	No. of Schools	Amount
1	Dy. DEO (EE-W) RYK	2018-19	34	16.178
2	Dy. DEO (EE-M) KPR	2017-19	42	29.541
3	Dy. DEO (EE-M) SDK	2017-19	92	61.310
Total			168	107.029

Due to weak financial management and poor monitoring, NSB funds could not be utilized.

Non utilization of funds resulted in blockage of public money amounting Rs 107.029 million.

The matter was reported to CEO and DDOs concerned in August to October, 2019. Dy. DEO (EE-W) RYK did not submit reply. Dy. DEO (EE-M) SDK replied that the Secretary School Education Department (SED) Govt. of the Punjab strictly bounded to utilize this amount which was provided to improvise classrooms. Whereas, Dy. DEO (EE-M) KPR replied that record would be provided in the meeting. Replies were not tenable as neither any compliance was

shown nor relevant record i.e. orders of the competent authority were produced in support of reply.

DAC in its meeting held on 03.12.19 directed to ensure compliance at the earliest. No further progress was intimated till finalization of this Report.

Audit recommends proper utilization of NSB funds besides fixing responsibility on the person(s) at fault.

[AIR Para No. 23, 16 & 21]

4. District Education Authority (DEA) D.G. Khan

Chapter 1

Public Financial Management Issues

Directorate General Audit (Distt.Govts.) Punjab (South) Multan conducts Financial Attest Audit of the Accounts of District Education Authority D.G.Khan on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

vi. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	6,705.633	6,598.698	(106.935)	(2)
Non Salary	1,762.432	123.571	(1,638.861)	(93)
Development	241.735	176.320	(65.415)	(27)
Total	8,709.800	6,898.589	(1,811.211)	(21)

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 176.320 million against an allocation of Rs 241.735 million for 313 development schemes of construction of special education buildings, construction of dangerous classrooms, provision of missing facilities, construction district education complex and provision of IT labs in high schools. 78 schemes of construction of dangerous classrooms, provision of missing facilities and construction of district education complex and provision of IT labs could not be completed and an amount of Rs 65.415 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 1,811.211 million was lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statement (Certification Audit 2019-20)

During Certification Audit of DEA D.G.Khan for the Audit Year 2019-20, it was noticed that Financial Statements were under stated. The cash closing balances with State Bank of Pakistan and Financial Statements remained un-reconciled till close of the financial year. Huge amount was paid by the DAO against development schemes whereas the bills were not pre-audited by his office.

The Appropriation Accounts and Financial Statements of DEA D.G.Khan for the financial year 2018-19 properly present, in all material respects, the financial position of the District Education Authority, D.G.Khan as at 30th June 2019.

The following issues surfaced during Certification Audit of District Education Authority D.G.Khan

- Under statement of Financial Statements due to difference of cash balance in SBP and Financial Statements figures - Rs 33.970 million
- Unauthorized payment against development schemes without prescribed procedures and pre-audit - Rs 15.791 million

vii. Analysis of Targets and Achievements

Sectoral analysis of DEA D.G.Khan was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicators	Sr. No.	Sub Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Core Indicators	17	Students attendance (K-12)	88	91.31	Achieved
	18	Teacher Presence	90	95.71	Achieved
	19	Head Teacher Presence	90	92.90	Achieved
	20	Availability of boundary wall	98	98.62	Achieved
	21	Availability of drinking Water	95	95.81	Achieved
	22	Availability of Furniture	70	13.13	Not Achieved
	23	Classrooms observations	80	94.80	Achieved
Infrastructure Indicators	24	Safe Building	98	95.75	Not Achieved
	25	NSB Time Lines	90	1.62	Not Achieved
	26	NSB Utilization	90	43.86	Not Achieved
	27	Data Health	90	91.83	Achieved
	28	Sufficiency of Toilets	51.7	44.37	Not Achieved
Retention Indicators	29	Retention (K-12)	97	95.21	Not Achieved
Monitoring & Management Indicators	30	School Hygiene	80	81.83	Achieved
	31	Partial Facility	1	1.29	Achieved
Hotline Complaints Resolution Indicator	32	On Time resolution	90	96	Achieved

Source: Data received from CEO (DEA)

viii. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- Record of expenditure amounting to Rs 251.205 million was not produced in 01 case.
- Recoveries and overpayment amounting to Rs 38.916 million were pointed out in 13 cases.

- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 83.684 million was observed in 12 cases.
- Value for Money and Service Delivery Issues of Rs 378.669 million was found in 4 cases.

ix. Service Delivery Issues

From the Data analysis of DEA D.G.Khan following service delivery issues were observed:

- Availability of furniture was targeted 70%, while it could be achieved only 13.13%, student could not avail class room furniture despite provision of huge non-salary budget.
- Safe Buildings was targeted to be 98%, while it could be achieved only 95.75%.
- NSB Utilization was targeted to be 90%, while it could be achieved only 43.86%.
- Sufficiency of Toilets was targeted to be 51.70%, while it could be achieved only 44.37%.

x. Expectation Analysis and Remedial Measures

District Education Authority:

CEO (DEA) did not achieve its overall targets regarding availability of furniture, Safe Building, NSB Utilization and sufficiency of toilet. The management failed in provision of furniture and safe building. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets.

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and probity in use of development and non-development funds. Moreover, this can be checked by holding accountable those who are responsible for such irregularities at appropriate forums.
- Efforts should be made for utilization of NSB within time limits.

- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

4.1.1 Audit Paras

4.1.1.1 Unauthorized payment without prescribed procedures and pre-audit – Rs15.791 million

Risk Categorization: High

Observation:

According to rule 16(b) of Punjab District Authorities (Accounts) Rules 2017, the Accountant General Punjab or the District Accounts Officer, as the case may be, shall perform pre-audit on all payments from local fund and public accounts of a District Authority before authorizing the disbursement of amount.

During Financial Attest Audit of District Education Authority Dera Ghazi Khan for the year 2018-19, following short comings were observed;

- The DAO paid bills of CEO Education pertaining to civil works pre audited by Divisional Accounts officer. But according to rule 16(b) of Punjab District Authorities (Accounts) Rules 2017 pre Audit was to be done by DAO not Divisional Accounts officer as had mandate of pre audit according to District Government rules not as per the Punjab District Authorities (Accounts) Rules 2017.
- The CEO Education only forwarded claims and DAO issued cheques to Contractors. Vouchers were neither sanctioned by the CEO nor signed with official stamp by the DDO. Supporting documents and books of accounts (measurement book, stock register, logbook) accompanying the claim and verified by the DDO are valid and genuine, were not on record.
- For late completion, the contractors were not penalized in violation of Clause-39 of Contract Agreement, if contractor fails to complete the work within stipulated / extended period, he is required to be penalized @ 1% to

10% of the agreement amount for delayed completion of work. Favor of millions was given to contractors.

- Furthermore the tax was deducted @ 7.5% without proof of filer
- All the process was without concurrence of FD.

(Rupees in million)

Cost Centre	Cost Centre Description	G_L_Acc	Document Date	Document No	Amount
DY8996	CEO District Education Authority (Development) D.G.Khan	A12403	07.01.2019	1900030977	0.385
		A12403	07.01.2019	5100055019	0.875
		A12403	07.01.2019	5100080030	2.453
		A12403	07.01.2019	5100091016	2.237
		A12403	07.01.2019	5100101039	2.104
		A12403	07.01.2019	5100049017	1.683
		A12403	07.01.2019	5100037024	1.667
		A12403	07.01.2019	5100091018	1.576
		A12403	07.01.2019	5100055021	1.464
		A12403	07.01.2019	5100049019	1.347
Total					15.791

Implications:

- Unauthorized overpayment from the Government funds
- Weak control on the part of concerned department.

Management response:

As it is stated in the audit para that amount in question relates to civil work, the Government of Punjab Finance Department has provided a guideline vide their letter No.SO(H-1)1-41/2017(P&SHCD)(AD)(PROV) dated 04.04.2019 that the amount will be placed as deposit work and its pre audit will be dealt under the rule 7.130 of DFR “The concerned authority shall make the payment of approved cost of scheme to the concerned Executive Engineer.” No violation of rules was made by this office. The para may be settled please. The list of schemes provided by DEA is attached herewith the Para may be settled please. The reply was not tenable because no deposit work process was opted.

Recommendation:

We recommend that there should be proper check on payments so as to ensure that all withholding has been deducted.

Chapter 2

District Education Authority, D.G.Khan

4.2.1 Introduction:

District Education Authority, D.G.Khan was established on 01.01.2017 under Punjab Local Government Act 2013. DEA, D.G.Khan is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

CEO is the Principal Accounting Officer of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the DEA Group of Offices is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

DEA D.G.Khan manages following educational facilities and institutes:

Description	No. of office / schools
Primary Schools	1378
Middle Schools	182
High Schools	124
Higher Secondary Schools	12
Dy. DEO (EE-M)	03
Dy. DEO (EE-W)	03
DEO (Elementary Education)	01
DEO (Secondary Education)	01
CEO (District Education Authority)	01

The detail of Audit jurisdiction in respect of District Education Authority D.G.Khan is given below:

(Rupees in million)					
Sr. No.	Description	Total No.	Audited	Expenditure audited F.Y. 2018-19	Revenue /Receipts audited F.Y. 2018-19
1	Formations	177	07	4,240.469	8.511

Sr. No.	Description	Total No.	Audited	Expenditure audited F.Y. 2018-19	Revenue /Receipts audited F.Y. 2018-19
2	Assignment Accounts (Excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

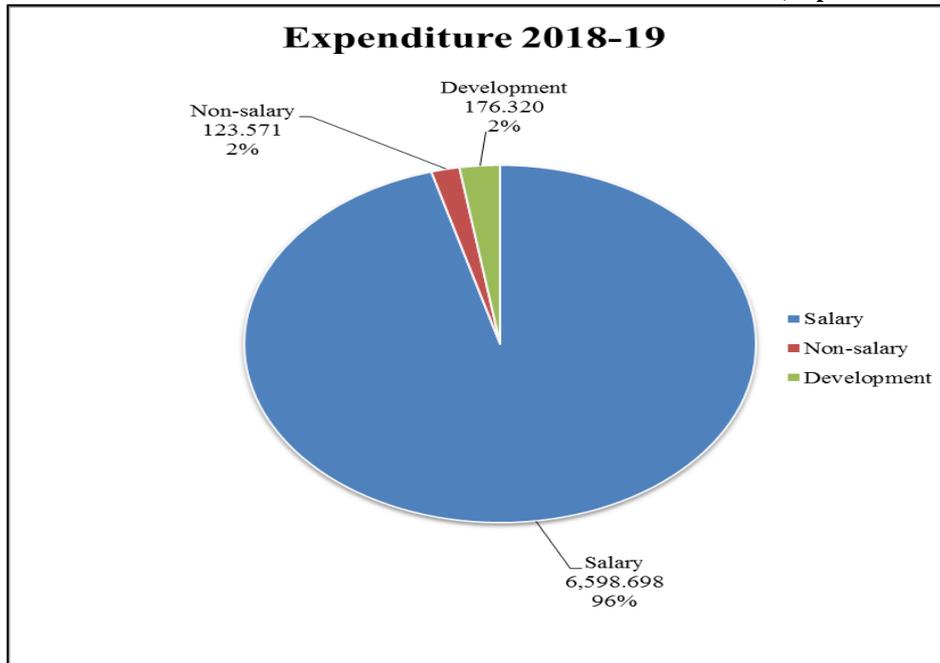
4.2.2 Comments on Budget and Accounts

The detail of budget and expenditure is given below in tabulated form:

(Rupees in million)

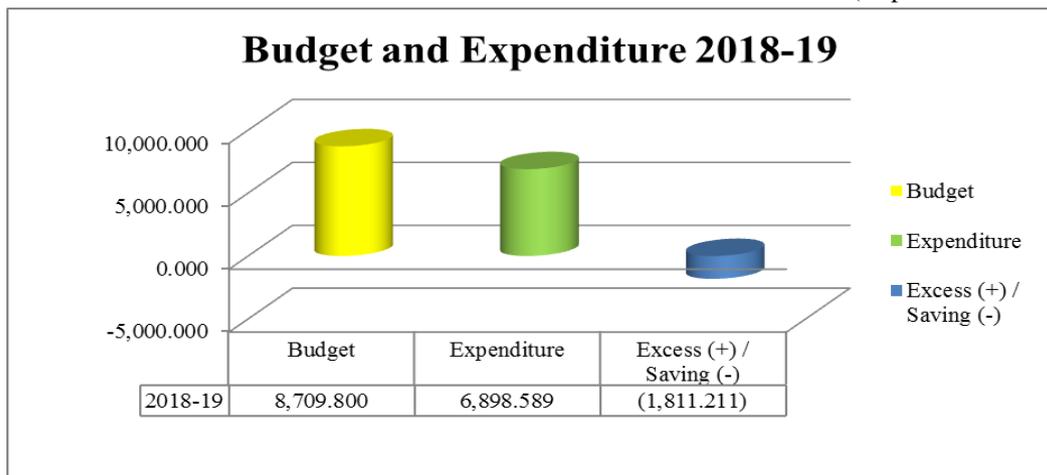
Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	6,705.633	6,598.698	(106.935)	(2)
Non Salary	1,762.432	123.571	(1,638.861)	(93)
Development	241.735	176.320	(65.415)	(27)
Total	8,709.800	6,898.589	(1,811.211)	(21)

(Rupees in million)



As per the Appropriation Accounts 2018-19 of the District Education Authority, Dera Ghazi Khan, total original budget (Development and Non-Development) was Rs 8,709.800 million. Against the budget, total expenditure of Rs 6,898.589 million was incurred by the District Education Authority during 2018-19. Lapse of funds amounting to Rs 1,811.211 million came to the notice of audit due to inefficient financial management in release of budget by Deputy Director (Finance). No plausible explanation was provided by PAO and management of the District Education Authority Dera Ghazi Khan. (Annexure-B)

(Rupees in million)



Due to inefficient financial management in release of budget by Deputy Director (Finance), major portion of funds lapsed as detailed below:

- (i) Excessive budget was blocked by allocating heavy amounts in non-salary portion which resulted in lapse of Rs 1,638.861 million (93 per cent).

An amount of Rs 65.415 million (27 per cent) remained unutilized under Grant 36 “Development” due to less development activities.

4.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 753.319 million were raised as a result of this audit. This amount also includes recoverables of Rs 39.761million as pointed

out by the audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount
1	Non-production of record	251.205
2	Reported cases of fraud, embezzlement and misappropriation	0
3	Irregularities	0
A	HR / Employees related irregularities	24.777
B	Procurement related irregularities	98.668
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	378.669
5	Others	0
Total		753.319

4.2.4 Comments on the Status of Compliance with PAC Directives

The Audit Report pertaining to the following years was submitted to the Governor of the Punjab but has not been presented to the Public Accounts Committee.

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	07	PAC not constituted
2	2018-19	25	PAC not constituted

4.2.5 Audit Paras

4.2.5.1 Non-Production of Record

4.2.5.1.1 Non-production of record - Rs 251.205 million

According to Clause 14 (1) (a) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for keeping of initial and subsidiary accounts.

The following DDOs incurred expenditure of Rs 251.205 million during 2018-19 but vouched accounts of the expenditure of development schemes, procurement, contingencies, consumption and pay were not produced for audit verification.

(Rupees in million)

Sr. No.	DDOs	Nature of Record	Amount
5	CEO (DEA)	Record of development schemes	207.766
6		TA/DA Bills	1.068
7		Logbook in support of POL utilization	0.123
8	Dy.DEO (EE-W) Taunsa	Bills for arrear of pay and allowance	3.855
9	Dy. DEO (EE-M) D.G.Khan	Bills for inspection allowance	8.082
10	Dy. DEO (EE-M) Kot Chutta	Bills for arrear of pay and allowance	13.246
11	Dy.DEO (EE-M) Taunsa	Bills for inspection allowance	5.993
12	Dy. DEO (EE-W) Kot Chutta	Bills for inspection allowance & NSB	1.915
13	Dy. DEO (EE-W) D.G.Khan	Bills for arrear of pay and allowance	9.157
Total			251.205

Audit is of the view that due to weak financial management, the record was not produced for audit verification.

Non-production of record created doubt regarding legitimacy of the expenditure of Rs 251.205 million.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry of the matter, fixing responsibility and disciplinary action on the person(s) at fault for non-production of record, and to ensure that the record is produced to Audit for scrutiny.

[AIR Paras: 1, 10, 16, 16, 15, 17, 11, 18, 17]

4.2.5.2 Irregularities

4.2.5.2.1 Payment against MS Bars without quality test - Rs 20.621 million

According to additional condition No.60 of Contract Agreement, the sample of the steel to be used in reinforced cement concrete work shall be got tested and contractor will have to bear the expenses for such test. Furthermore, Condition No.66 of the above states that reinforcing steel shall be of intermediate grade deformed bars with yield stress not less than 40000 Lbs per square inch. This shall be supplied by M/S PEPCO, Lahore, M/S Abdul Qayyum Fazal Muhammad Limited Lahore or Ittafaq Industries Lahore or similar approved suppliers. Receipt for purchase from such suppliers shall be enclosed with the bill.

CEO (DEA) D.G.Khan paid Rs 20.621 million to contractors against 205,215.88 kg MS Bar which was used in 26 schemes of construction of classrooms but the required strength test was not got conducted before authorizing payment. Furthermore, the proof for purchase of MS Bars from the suppliers as given in above clause was not available.

Audit is of the view that due to weak financial controls, payment was made to contractors against MS Bar without quality test.

The payment against the MS Bar without quality test resulted in irregular expenditure of Rs 20.621 million.

The matter was reported to the CEO in August, 2019. CEO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of matter from the competent authority.

[AIR Para:26]

4.2.5.2.2 Unauthorized incurrence of expenditure in excess of allocated amount on account of deposit work - Rs 17.784 million

According to Rule 7.130 of Department Financial Rules, no deposit work should be undertaken by the Divisional Officer without the prior approval of the Administrative Head of the Department concerned. While forwarding all such cases it should be certified that local body or the party concerned has deposited the entire cost of the project either with Divisional Officer or into the Treasury under the relevant head of account. The amount received should be credited in the account to the head "Public Works Deposits" against which will be debited all expenditure incurred. No expenditure should be incurred in excess of the "Deposit" under any circumstances.

CEO (DEA) D.G.Khan, allocated and released an amount of Rs 90 million vide letter No.4453/B&A dated 24.05.2019 to Executive Engineer (Buildings) D.G.Khan as deposit work for 322 schemes of provision of missing facilities (2015-16, 2016-17, 2017-18), construction of building for shelterless schools and reconstruction of dangerous buildings (2015-16, 2016-17). As per Executive Engineer (Buildings) statement the expenditure was incurred Rs 107.784 million against the said schemes. An excess amount of Rs 17.784 million was spent without allocation.

Audit is of the view that due to weak financial management, expenditure was incurred in excess of funds allocated.

Incurrence of expenditure in excess of allocation resulted in unauthorized expenditure of Rs 17.784 million.

The matter was reported to the CEO in August, 2019. CEO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of excess expenditure from competent authority.

[AIR Para:2]

4.2.5.2.3 Irregular expenditure in excess of budget allocation - Rs 14.167 million

According to Finance Department notification No.F.D(M-11)/1-2/82 dated 05.09.1983, explanation will be required in cases of all excesses under a Grant / Appropriation. Furthermore, as per clarification issued by the Finance Department vide letter No. B-I-3(121)/2009-2010 dated 02.02.2010, the above principles shall apply to savings / excesses in each major / semi-detailed object code.

Various DDOs under the administrative control of CEO (DEA) D.G.Khan incurred an expenditure of Rs 14.167 million during 2018-19 in excess than the budget allocation. **(Annexure-C/DGK)**

Audit is of the view that due to weak financial controls, expenditure was incurred in excess of budget allocation.

Utilization of funds in excess of allocation resulted in irregular expenditure of Rs 14.167 million.

The matter was reported to the CEO in August, 2019. CEO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of expenditure from the Finance Department.

[AIR Para:22]

4.2.5.2.4 Non-deduction of income tax, GST and provincial tax on services- Rs 6.558 million

According to Section 153(1) and 1(c) of Income Tax Ordinance, 2001, every prescribed person, while making a payment in full or part, shall deduct tax at the specified rate from the gross amount payable. Furthermore, according to Clause 1.3 of Sales Tax Special Procedure (Withholding) Rules, 2007, withholding agents are required to deduct an amount equal to 1/5th (20 percent) of the total Sales Tax. Moreover, according to Rule 5 of Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent shall deduct Sales Tax at the applicable rate of the value of taxable services provided to him from the payment due to the service provider.

The following DDOs made payments against supply of goods, rendering of services and execution of contracts during 2018-19. However, an amount of Rs 6.558 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not /less deducted from the payments. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Income Tax	Sales Tax	Sales Tax on Services/PST	Amount
1	CEO (DEA)	0.303	0.092	0.464	0.859
2		1.487	0	0	1.487
3	Dy. DEO (EE-W) Taunsa	0.313	1.431	0.348	2.092
4	Dy. DEO (EE-M) D.G.Khan	0.054	0.207	0	0.261
5	Dy. DEO (EE-M) Kot Chutta	0.018	0	0	0.018
6		0.536	0.231	0.083	0.85
7	Dy. DEO (EE-M) Taunsa	0	0.528	0	0.528
8	Dy. DEO (EE-W) Kot Chutta	0.058	0.144	0	0.202
9	Dy. DEO (EE-W) D.G.Khan	0.123	0.138	0	0.261
Total		2.892	2.771	0.895	6.558

Audit is of the view that due to non-compliance of tax laws, taxes were not deducted / withheld at specified rates.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 6.558 million to the suppliers/service providers/contractors.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 6.558 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:9,23,32,34,35,7,8,12,16,18,21,15,13,22,23]

4.2.5.2.5 Irregular payments in cash - Rs 6.474 million

According to Rule 4(1)(b) of Punjab District Authorities (Accounts) Rules 2017, the payment exceeding rupees one thousand shall be made through crossed non- negotiable cheque.

The following DDOs made payments of Rs 6.474 million during 2018-19 to various suppliers on account of contingent expenditure in cash instead of crossed cheques. The detail is given below:

(Rupees in million)				
Sr. No.	DDOs	Period	Description	Amount
1	CEO (DEA)	2018-19	Cash Payments	0.869
2	Dy. DEO (EE-W) Taunsa			0.256
3	Dy. DEO (EE-M) D.G.Khan			1.148
4	Dy. DEO (EE-M) Kot Chutta			1.513
5	Dy. DEO (EE-M) Taunsa			1.844
6	Dy. DEO (EE-W) Kot Chutta			0.844
Total				6.474

Audit is of the view that due to weak financial management, payments were made in cash instead of crossed cheques.

Payments made to the suppliers in cash resulted in irregular expenditure of Rs 6.474 million.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault, besides regularization of the expenditure.

[AIR Paras:11,19,8,17,5]

4.2.5.2.6 Loss due to non-reduction of bricks rate - Rs 6.268 million

According to Sr. No.5 and 7, chapter 7 of the Market Rate System (MRS) issued from the Government of Punjab Finance Department, the composite rate is to be reduced by 7% and 14%, if 2nd or 3rd class bricks are used.

CEO (DEA) made payment against brick work for construction of various schools during 2018-19. However, neither the amount was reduced by Rs 6.268 million (14%) nor lab test of bricks from prominent laboratory for assessing the 1st, 2nd or 3rd class bricks was available.

Audit is of the view that due to weak financial management, payments to the contractor were made without reducing bricks rate.

Non-reduction of bricks rate resulted in loss of Rs 6.268 million to the Government exchequer.

The matter was reported to the CEO in August, 2019. CEO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends that the documentary proof of lab test may be provided to prove the utilization of 1st class bricks otherwise recovery of Rs 6.268 million may be made from the contractors.

[AIR Para:29]

4.2.5.2.7 Unauthorized drawal of pay without sanctioned posts - Rs 5.233 million

According to Sr. No.1, Second Schedule of the Punjab Delegation of Financial Power Rules 2016, the power to create posts rests with the Administrative Department subject to the concurrence of Finance Department.

The Dy. DEO (EE-M) Kot Chutta allowed withdrawal of pay and allowances of Rs 5.233 million to employees during 2018-19. Scrutiny of the record revealed that pay and allowances were paid in excess of sanctioned post. The detail is given below:

(Rupees in million)

Cost Center	Description	BS	Sanctioned	Actual	Amount paid
DY6008	Senior Manager	15	0	4	1.731
	Mali	1-5	0	11	3.502
Total					5.233

Audit is of the view that due to weak financial management, pay and allowance were paid without sanctioned post.

Payment without sanctioned post resulted in unauthorized expenditure of Rs 5.233 million.

The matter was reported to the CEO and DDO concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides pay drawn unauthorizedly should be either recovered or regularized.

[AIR Para:7]

4.2.5.2.8 Recovery of irregular payment of inspection allowance - Rs 4.920 million

According to Government of the Punjab, School Education Department Lahore letter no.SO(Budget) 1-15/2013 (V-II) dated 15.01.2018, inspection allowance @Rs 25,000 per month was granted with immediate effect to Assistant Education Officer working in School Education Department subject to verifiable key performance indicators developed by Education Department.

The following DDOs paid an amount of Rs 4.920 million during 2018-19 on account of inspection allowance to AEOs. Inspection allowance was paid to AEOs in summer vacation, training and AEOs of headquarter which resulted unauthorized because this allowance was in lieu of TA/DA and will be paid after making of hundred percent visits/performance bases and the same was not a part of pay. The detail is given below:

(Rupees in million)

Sr. No	DDOs	Period	No. of Employees	Amount
1	Dy. DEO (EE-M) Kot Chutta	2018-19	18	1.937
2			1	0.325
3	Dy. DEO (EE-M) Taunsa		24	0.600
4	Dy. DEO (EE-M) D.G.Khan		15	1.628
5	Dy. DEO (EE-W) D.G.Khan		2	0.150
6	Dy. DEO (EE-M) Kot Chutta		3	0.280
Total			63	4.920

Audit is of the view that due to weak financial management, inspection allowance was paid during the period for which it was not admissible.

Payment of inspection allowance in violation of above quoted rule resulted in overpayment of Rs 4.920 million.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the overpaid amount of Rs 4.920 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:1,3,18,2,15,10]

4.2.5.2.9 Expenditure without receiving of store items - Rs 4.589 million

According to Rule 2.31 of the PFR Vol-1, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

The schools under the administrative controls of following DDOs incurred expenditure of Rs 4.589 million out of non-salary budget (NSB) on account of various purchases during 2018-19. Receipt of store items was not entered in the stock register without which authenticity of purchase could not be verified.

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Description	Amount
1	Dy. DEO (EE-W) Taunsa	21	Painting material, stationery, uniform, furniture and general store items	3.522
2	Dy. DEO (EE-M) D.G.Khan	15	Uniform, bags, furniture, solar plates and general store items	1.067
Total				4.589

Audit is of the view that due to weak financial management, expenditure was incurred without receipt of stores.

Without proof of receipt of stores and its utilization, authenticity of the expenditure of Rs 4.589 million could not be considered.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility against the person(s) at fault besides recovery of any loss if established.

[AIR Paras:25,14]

4.2.5.2.10 Un-authorized payment of previous year liabilities – Rs 4.137 million

According to Rule 17.18 of PFR Vol.I, expenditure incurred in one year, should not be left over to be met out of the budget for the next year.

The following DDOs paid an amount of Rs 4.137 million from current financial year against the liabilities for the period 2010 to 2018. No special allocation for disbursement of liabilities was available. The detail is given below:

(Rupees in million)			
Sr. No.	DDOs	Period	Amount
1	CEO (DEA)	2010 to 2018	0.809
2	Dy. DEO (EE-M) Kot Chutta		2.800
3			0.455
4			0.073
Total			4.137

Audit is of the view that due to weak financial management, irregular expenditure was made to discharge old liabilities.

Payment against previous year liabilities without special allocation resulted in unauthorized expenditure of Rs 2.800 million.

The matter was reported to the CEO and DDO concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) at fault besides regularization of the expenditure from Finance Department.

[AIR Paras:13,13,26,22]

4.2.5.2.11 Unauthorized payment of conveyance allowance - Rs 3.719 million

According to Rule 1.15 of the Punjab Travelling Allowance Rules, 1976 and the Government of the Punjab Education Department (School Wing) letter No. So (S-III) 1-2-16/2007 dated 24.09.2007, conveyance / mobility allowance is not admissible during the period of leave of any kind or vacations. Furthermore, according to letter No. FD-PC.38-8/77 dated 05.07.1977, issued by the Finance Department, Government of the Punjab, no conveyance allowance is admissible to government servants having residences within premises of the office or availing facility of official vehicle.

The following DDOs paid conveyance allowance of Rs 3.719 million to the employees despite the fact that the said allowance was not admissible during vacations, leave period and to the employees availing conveyance facility. The detail is given below:

(Rupees in million)

Sr. No	DDOs	Nature of leave	Total
1	Dy. DEO (EE-W) Taunsa	Winter vacation	1.660
2		Summer vacation	0.084
3		Leave on full pay	0.390
4		Availing conveyance facility	0.005
5	Dy. DEO (EE-M) D.G.Khan	Leave on full pay	0.213
6	Dy. DEO (EE-M) Kot Chutta	Leave on full pay	0.082
7		Summer vacation	0.029
8	Dy. DEO (EE-M) Taunsa	Leave on full pay	0.073
9		Leave on full pay	0.117
10	Dy. DEO (EE-W) Kot Chutta	Leave on full pay	0.216
11	Dy. DEO (EE-W) D.G.Khan	Summer vacation	0.089
12		Leave on full pay	0.716
13		Winter vacation	0.045
Total			3.719

Audit is of the view that due to weak financial management, inadmissible conveyance allowance was paid.

Payment of inadmissible conveyance allowance resulted in loss of Rs 3.719 million.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of Rs 3.719 million.

[AIRParas:6,13,18,23,1,4,5,4,8,4,6,13,16]

4.2.5.2.12 Less recovery on account of old material – Rs 3.604 million

According to Additional Clause 22 of the Contract Agreement of C&W Department, the cost of material received from dismantling, if any, will be deducted from the bill of the contractor at market rates if it is used by him on construction work. If the contractor does not return the unused dismantled materials, its cost will be recovered from his bill at double the market rates.

CEO (DEA) D.G.Khan paid the contractor bills during 2018-19 in 24 schemes of reconstruction of classrooms. Dismantled material was not used in construction schemes and taken away by contractors. But cost of old material amounting to Rs 3.604 million was not deducted at double the market rates.

Audit is of the view that due to weak financial management, less deduction on account of old material was recovered.

Less recovery on account of old material resulted in loss of Rs 3.604 million to the Government.

The matter was reported to the CEO in August, 2019. CEO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs 3.604 million from the contractors.

[AIR Para:33]

4.2.5.2.13 Unjustified transfer of SMC funds to closed schools - Rs 3.366 million

According to Rule 2.31 of PFR Vol-I, a drawer of bill for pay, allowance, contingent & other expenses will be held responsible for any over charges, frauds and misappropriations.

CEO (DEA) D.G.Khan transferred an amount of Rs 3.366 million to 02 elementary schools and 27 primary schools on account of SMC fund during 2018-19. As per PMIU report the said schools were not working.

Audit is of the view that due to weak financial management, funds were transferred to closed schools.

Transfer of funds to closed school resulted in wastage of financial resources of Rs 3.366 million.

The matter was reported to the CEO in August, 2019. CEO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry of the matter, fixing responsibility on the person(s) at fault besides recovering back the transferred amount.

[AIR Para:15]

4.2.5.2.14 Doubtful expenditure out of NSB fund - Rs 3.052 million

According to School Council Policy circulated vide Government of the Punjab School Education Department No.SO(S-III)2-12/2006 dated 06.08.2007, all expenditure shall be incurred with prior approval of the school council and all

purchases/ execution of work shall be carried out in a transparent and economical manner.

The schools under the administrative controls of the following DDOs withdrew an amount of Rs 3.052 million on account of purchase of furniture, repair & maintenance and general stores items. However, no physical verification and inspection reports of purchases and maintenance work were on record. The detail is given below:

(Rupees in million)

Sr. No	DDOs	Period	Description	No. of School	Amount
1	Dy. DEO (EE-M) Taunsa	2018-19	Furniture and repair & maintenance	7	1.320
2	Dy. DEO (EE-W) Kot Chutta		Uniform, stationery and repair & maintenance	9	1.314
3	Dy. DEO (EE-W) D.G.Khan		Repair & maintenance general store items	3	0.418
Total					3.052

Audit is of the view that due to weak financial management, amounts were drawn without physical verification of expenditure.

Withdrawal of amount without proof of actual purchases resulted in unauthentic expenditure of Rs 3.052 million.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends detailed inquiry, physical verification of purchases and fixing responsibility on the person(s) at fault.

[AIR Paras:14,14,21]

4.2.5.2.15 Recovery of unauthorized payment of SSB - Rs 2.683 million

According to Government of the Punjab, School Education Department Lahor, Notification No. SO(SE-III) 2-16/2007(P-V) dated 07.08.2015, the Educators already appointed on contract basis under the provision of contract policy are regularized w.e.f 07.08.2015 and their pay was to be fixed at the initial of the respective pay scale and services period of contract shall not be counted for any purpose pension, gratuity, leave, etc. These appointees shall not be entitled to the payment of 30% SSB.

The following DDOs allowed an amount of Rs 2.683 million on account of social security benefit to 83 officers/officials whose services were regularized. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	No. of employees	Amount
1	Dy. DEO (EE-W) Taunsa	17	0.392
2	Dy. DEO (EE-M) D.G.Khan	2	0.066
3		4	0.044
4	Dy. DEO (EE-M) Taunsa	38	1.360
5	Dy. DEO (EE-W) Kot Chutta	5	0.150
6	Dy. DEO (EE-W) D.G.Khan	17	0.671
Total		83	2.683

Audit is of the view that due to weak financial management, social security benefit was paid to regular employees.

Payment of social security benefit to regular employees resulted in overpayment of Rs 2.683 million.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 2.683 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:3,9,18,1,1,1]

4.2.5.2.16 Unauthorized payment of inadmissible allowances - Rs 2.366 million

According to Rule 9(b) of the Punjab District Authorities (Accounts) Rules 2017, the DDO and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Various DDOs under the administrative control of CEO (DEA) allowed charge allowance to teachers and AEOs, science teaching allowance, hill allowance and other inadmissible allowances of Rs 2.366 million during 2018-19. **(Annexure-D/DGK)**

Audit is of the view that due to weak financial management, inadmissible allowances were paid to the employees.

Grant of inadmissible allowances resulted in loss of Rs 2.366 million to the Government.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 2.366 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:1,2,5,4,10,2,6,9,9,10,11,13,16,2,10,15,4,7,14,18,19,20,9]

4.2.5.2.17 Overpayment due to non-relaying of dismantled material as base course - Rs 1.911 million

According to Government of Punjab, Communication and Works Department letter No. 7029 dated 11.12.1997, brick received after dismantling the soling laid as sub base, brick paved road or laid on shoulders shall be taken as 100% for reuse and stone material 90% in all cases.

CEO (DEA) paid contractors' bills of 19 schemes for reconstruction of classrooms during 2018-19 against items "sub base and dry rammed bricks in foundation" and item "dismantling of brick work in line" was made and bricks were received but same was not re-used as sub-base course or dry rammed in the work. Non-relaying of dismantled bricks as sub-base course, resulted in overpayment of Rs 1.911 million.

Audit is of the view that due to weak financial management, dismantled bricks were not utilized as sub-base or stone blast.

Non relaying of dismantled brick as sub base / stone blast resulted in overpayment of Rs 1.911 million.

The matter was reported to the CEO in August, 2019. CEO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) at fault besides recovery of overpaid amount from the contractors.

[AIR Para:25]

4.2.5.2.18 Unauthorized payment of salary during leave without pay - Rs 1.906 million

According to Rule 2.33 of the PFR, Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

The following DDOs allowed an amount of Rs 1.906 million on account of salaries to employees when they were on leave without pay during 2018-19. The detail is given below:

(Rupees in million)			
Sr. No.	DDOs	Period	Amount
1	Dy. DEO (EE-W) Taunsa	2018-19	0.827

Sr. No.	DDOs	Period	Amount
2	Dy. DEO (EE-M) D.G.Khan		0.259
3	Dy. DEO (EE-W) Kot Chutta		0.138
4	Dy. DEO (EE-W) D.G.Khan		0.682
Total			1.906

Audit is of the view that due to weak financial management, salaries were paid to employees during leave without pay.

Payment of salaried during leave period resulted in overpayment of Rs 1.906 million.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 1.906 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:17,11,11,10]

4.2.5.2.19 Non-recovery of fine from the employees - Rs 1.892 million

According to Section 4(1)(a)(iii) of the Punjab Employees Efficiency, Discipline and Accountability Act 2006, the competent authority may, by an order in writing, impose penalty of fine not exceeding basic pay of one month.

The supervisory officers of District Education Authority imposed minor penalty of fines amounting to Rs 1.892 million on 487 employees working under the administrative control of Deputy District Officers of D.G.Khan during 2018-19. However, the DDOs did not recover fines from the employees. The detail is given below:

(Amount in rupees)			
Sr. No.	DDOs	No. of Employees	Amount
1	Dy. DEO (EE-W) Taunsa	48	0.102
3	Dy. DEO (EE-M) D.G.Khan	60	0.146

Sr. No.	DDOs	No. of Employees	Amount
4	Dy. DEO (EE-M) Kot Chutta	6	0.011
5	Dy. DEO (EE-M) Taunsa	187	1.243
6	Dy. DEO (EE-W) Kot Chutta	38	0.103
7	Dy. DEO (EE-W) D.G.Khan	148	0.287
Total		487	1.892

Audit is of the view that due to weak monitoring mechanism, fines imposed were not recovered from the employees.

Non-recovery of fines from the employees resulted in loss of Rs 1.892 million to the public exchequer.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 1.892 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:11,7,10,7,8,12]

4.2.5.2.20 Doubtful expenditure on civil work without specification - Rs 1.836 million

According to Rule 2.33 of the PFR Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Deputy District Education Officer (EE-W) Taunsa incurred an expenditure of Rs 1.836 million on account of construction of toilet blocks and boundary walls of 81 schools during 2018-19. The said expenditure on civil work was incurred without detailed measurement, design and estimates without which the authenticity of the expenditure could not be verified.

Audit is of view that due to weak financial management, expenditure was incurred without observing codal formalities.

Non-observance of codal formalities resulted in unauthorized expenditure of Rs 1.836 million.

The matter was reported to the CEO and DDO concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of the expenditure.

[AIR Para:10]

4.2.5.2.21 Overpayment on account of salaries - Rs 1.584 million

According to Rule 9(b) of the Punjab District Authorities (Accounts) Rules 2017, the DDO and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

The following DDOs of District Education Authority did not recover Rs 1.584 million on account of overpayment salaries of employees working under their controls during 2018-19. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description of Receipts	Amount
1	Dy. DEO (EE-M) Kot Chutta	Salary after retirement	0.145
2	Dy. DEO (EE-W) Kot Chutta	Recovery of pay against closed school	0.073
3	Dy. DEO (EE-W) D.G. Khan	One month salary after termination of contract	0.109
4		Pay and allowance after termination of contract	0.187
5		Pay and allowance after superannuation	0.157
6		Annual increment without completing	0.175

Sr. No.	DDOs	Description of Receipts	Amount
		six month	
7	Dy. DEO (EE-M) Taunsa	One month salary after termination of contract	0.201
8		Annual increment without completing six month	0.537
Total			1.584

Audit is of the view that due to weak financial management, the overpayment was not recovered from the employees.

Non-recovery of overpayment resulted in loss to of Rs 1.584 million to the Government.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 1.584 million and its deposit into the Government treasury besides fixing responsibility on the person(s) at fault.

[AIR Paras:11,12,3,5,8,9,3,4]

4.2.5.2.22 Overpayment on account of inadmissible qualification allowance - Rs 1.317 million

According to clarification issued by the Accountant General Punjab, vide his office letter No.TM-1/2-3(A)IV/2008-09/479 dated 17.11.2008, the qualification allowance on account of possessing/acquiring higher qualification is not admissible to Secondary School Educators(SSE), Senior Elementary School Educators(SESE) and Elementary School Educators(ESE).

Dy. DEO (EE-W) Taunsa paid qualification allowance of Rs 1.317 million during 2018-19 on acquiring higher qualification to 26 ESE, SESE and SSE teachers, in violation of above quoted rule.

Audit of the view due to weak financial management, inadmissible qualification allowance was paid.

The payment of inadmissible qualification allowances resulted in overpayment of Rs 1.317 million.

The matter was reported to the CEO and DDO concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of Rs 1.317 million.

[AIR Para:24]

4.2.5.2.23 Doubtful expenditure due to non-accountal of store - Rs 1.222 million

According to Rule 15.4 of PFR Vol-I, all materials received should be examined, counted, measured and weighed as the case may be when delivery is taken and the same should be kept in charge of a responsible Government servant.

The schools under the administrative control of Dy. DEO (M-EE) & (W-EE) Kot Chutta drew an amount of Rs 1.222 million during 2018-19 for purchase of furniture, LED, stationery etc. but the relevant stock /assets register was not produced, without which the authenticity of expenditure could not be ascertained. Furthermore, in most of the cases, specification i.e quality, length, width and height or company, capacity etc. was not mentioned on the bill. The detail is given below:

(Rupees in million)			
Sr. No.	DDOs	No. of Schools	Amount
1	Dy. DEO (EE-M) Kot Chutta	2	0.373
2	Dy. DEO (EE-W) Kot Chutta	10	0.849
Total			1.222

Audit is of the view that due to weak internal controls, the purchased items were not accounted for in the relevant stock register.

Purchase of store items without accountal resulted in unauthorized expenditure of Rs 1.222 million.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of loss, if established.

[AIR Paras:22,16]

4.2.5.2.24 Doubtful expenditure on purchase of student uniforms - Rs 1.203 million

According to Rule 2.31 of the PFR Vol-1, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

Under the administrative control of Dy. DEO (W-EE) Taunsa, 40 schools drew cash Rs 1.203 million out NSB fund to defray expenditure on purchase of uniform for school children. But it was noticed that expenditure was made without having distribution record of uniform. Without distribution record, the authenticity of expenditure could not be ascertained.

Audit is of the view that due to weak financial management, expenditure on purchase of uniform was incurred but its authenticity could not be proved due to non-availability of distribution record.

Non availability of distribution record resulted in doubtful expenditure of Rs 1.203 million.

The matter was reported to the CEO and DDO concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility against person(s) at fault.

[AIR Para:20]

4.2.5.2.25 Non-realization of Government revenues - Rs 1.031 million

According to Rule 14 (d) of the Punjab District Authorities (Accounts) Rules 2017, the primary obligation of the Collecting Officers shall be to collect receipts in the transparent manners and guard against misappropriation, fraud, embezzlement or compromise.

CEO (DEA) D.G.Khan did not collect the Government receipts of Rs 1.031 million on account of inspection fee, registration fee and stamp duty during 2018-19. The detail is given below:

(Rupees in million)

Sr. No.	Description of Receipts	Amount
1	Inspection Fee	0.565
2	Registration Fee	0.438
3	Stamp Duty	0.028
Total		1.031

Audit is of the view that due to weak financial management, the Government receipts were not collected.

Non-collection of receipts resulted in loss to the Government of Rs 1.031 million.

The matter was reported to the CEO in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 1.031 million and its deposit into the Government treasury besides fixing responsibility on the person(s) at fault.

[AIR Paras:5,7,17]

4.2.5.3 Value for Money and Service Delivery Issues

4.2.5.3.1 Unjustified blockage of Government money against construction of classrooms - Rs 241.246 million

According to Rule 93(d) of the Punjab Local Government Act 2013, a District Education Authority shall ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education.

The following DDOs transferred an amount of Rs 241.246 million to high, elementary and primary school council bank accounts for construction of improvised class rooms. However, despite lapse of 3 years, the funds could not be utilized due to non-availability of technical staff. Moreover, the amount is still available in the school council commercial bank accounts where chances of misappropriation cannot be overruled.

(Rupees in million)

Sr. No.	DDOs	Nature of Record	Year of transfer of funds	Amount
1	CEO (DEA)	Construction of improvised class rooms in 75 schools	Dec.2016	219.464
2	Dy. DEO (EE-M) D.G.Khan	Construction of class rooms in 3 elementary and 37 primary schools	July. 2016	21.782
Total				241.246

Audit is of the view that due to weak financial management, heavy amount was transferred to the schools without availability of technical staff.

Non-availability of technical staff, class rooms could not be constructed and funds for Rs 241.246 million remained blocked.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends enquiry and fixing responsibility on the person(s) at fault for blockade of Government funds besides getting the amounts refunded from the schools and further utilization through Account V.

[AIR Paras:4,12]

4.2.5.3.2 Non utilization of funds for establishment of IT Labs - Rs 109.886 million

According to Rule 93(d) of the Punjab Local Government Act 2013, a District Education Authority shall ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education.

A tied grant of Rs 131.886 million was released to CEO (DEA) D.G.Khan specified for purchase of computer, networking, furniture for IT Labs and provision of science labs, IT labs from 2011-12 to 2017-18. However, despite dire need of computer lab and science lab material were not purchased and budget amounting to Rs 109.886 million remained un-utilized.

Audit is of the view that due to weak managerial controls, the leaners/students were deprived off from the basic necessities of education and Government efforts for educating to all remained unsuccessful.

Non utilization of funds amounting to Rs 109.886 million resulted in non-achievement of educational goals as well as depriving the students for standard education.

The matter was reported to the CEO in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides utilizing the funds for specified purpose without delay.

[AIR Para:20]

4.2.5.3.3 Lapse of funds on account of deposit work - Rs 7.403 million

According to clarification issued by the Government of the Punjab, Finance Department vide No.SO(H-1)I-41/2017(P&SHCD)(AD)(Prov) dated 04.04.2019, as the closing balance of the deposit work is lapsable, it may be reverted back to the account V on the close of the financial year. Furthermore, as per Rule 7.84 (b) of Departmental Financial Rules, in case of deposit work, steps should be taken promptly to surrender the unexpended balance, if any, of the deposit with the approval of the Divisional Officer.

CEO (DEA) D.G.Khan, released funds amounting to Rs 52.399 million during 2018-19 against which an expenditure of Rs 44.995 million was incurred during the year. The saving of Rs 7.403 million was neither demanded back by the CEO nor did Executive Engineer (Buildings) D.G.Khan surrendered it. Resultantly, the unspent balance was lapsed. The detail is given below:

(Rupees in million)

Name of Schemes	Funds Released	Expenditure upto 30.06.2019	Balance Bunds
Total Missing Facility	14.068	13.962	0.106
Total Re-Construction of Dangerous Buildings	9.703	9.397	0.306
Provision Missing Facilities 10 Nos. of Scheme. (2015-16)	0.292	0	0.292
Provision of Missing Facilities in Schools of District D.G.Khan (2016-17) 200 Nos.	4.379	3.014	1.365
Re-construction of Dangerous School Buildings/ Dilapidated Schools Buildings 101 No schemes (Block Allocation) 2016-17	3.266	3.254	0.0124
Re-Construction of One Class Rooms In GPS Kothi Thall U/C Mubarki	0.17	0	0.17
Scheme approved by DEA 2016-17 & 2017-18	19.486	15.121	4.364
Up-gradation of Govt. Girls Community School Sheroo Markaz Kot Chutta South, Tehsil & District D.G..Khan to Next Level D.G.Khan	0.116	0	0.116
Up Gradation of Boys Primary School Essan Wala District D.G.Khan	0.091	0	0.091
Construction of Two Buildings of New Boys Primary School Basti Bishmani U/C Tuman Legari Bala and New Boys Primary School	0.341	0.247	0.094

Name of Schemes	Funds Released	Expenditure upto 30.06.2019	Balance Bunds
Basti Nikka Khan Jarani U/C Tumman Leghari Bala District D.G.Khan			
Up Gradastion of Govt. of Boys Primary School Bhurgrah to Middle level District D.G.Khan	0.487	0	0.487
Total	52.399	44.995	7.403

Audit is of the view that due to weak financial management, the funds were lapsed.

The lapse of funds for Rs 7.403 million put the completion of schemes at risk.

The matter was reported to the CEO in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiring the matter, fixing responsibility against the person(s) at fault and making the loss good from the concerned officers / officials.

[AIR Para:3]

4.2.5.4 Others

4.2.5.4.1 Unauthorized retention of public money in DDO account- Rs 20.134 million

According to Rule 2.10(5) of PFR Vol-I, no money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance.

CEO (DEA) D.G.Khan, withdrew an amount of Rs 20.134 million out of the Government treasury during 2018-19. However, the same was not disbursed to the concerned claimants till June 2019. A heavy closing balance was being shown in the bank statements concerned. The detail is given below:

Account No.	(Rupees in million)	
	Opening Balance as on 01.07.2018	Closing Balance 30.06.2019
4843-4 NBP/4039452250	1.034	18.862
5051-8/4039453848 NBP	1.029	1.272
Total	2.063	20.134

Audit is of the view that due to weak financial management, Government funds drawn from the Government treasury were not promptly disbursed to the concerned claimants.

Delay in disbursement of the Government money resulted in unauthorized retention of public money of Rs 20.134 million.

The matter was reported to the CEO in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry, fixing responsibility on the person(s) at fault besides regularization of the expenditure.

[AIR Para:6]

5. District Education Authority (DEA) Layyah

Chapter 1

Public Financial Management Issues

Directorate General Audit (Distt.Govts.) Punjab (South) Multan conducts Financial Attest Audit of the Accounts of District Education Authority Layyah on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	7,418.576	6,243.745	(1,174.831)	(16)
Non Salary	161.098	100.287	(60.811)	(38)
Development	243.001	144.936	(98.065)	(40)
Total	7,822.675	6,488.968	(1,333.707)	(17)

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 144.936 million against an allocation of Rs 243.001 million for 287 development schemes of construction of special education buildings, construction of dangerous classrooms, provision of missing facilities, construction district education complex and provision of IT labs in high schools. 40 schemes of construction of dangerous classrooms, provision of missing facilities and construction of district education complex and provision of IT labs could not be completed and an amount of Rs 98.065 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 1,333.705 million was lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statement (Certification Audit 2019-20)

During Certification Audit of DEA Layyah for the Audit Year 2019-20, it was noticed that cash closing balances in the monthly SBD (State Bank Deposits) statement, financial statement and local bank branch remained un-reconciled till close of the financial year. Furthermore, the contractors' bills were booked by the DAO on net basis instead of gross amount.

The Appropriation Accounts and Financial Statements of DEA Layyah for the financial year 2018-19 properly present, in all material respects, the financial position of the District Education Authority, Layyah as at 30th June 2019.

The following issues surfaced during Certification Audit of District Education Authority Layyah.

- Un-reconciled closing balance of District Accounts Officer and local bank with negative figures - Rs 1.069 million
- Difference of closing balance of Financial Statements and State Bank of Pakistan figures - Rs 515.771million
- Unauthorized booking of works bills on net amounts - Rs 89.620 million

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Layyah was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicator	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Core Indicator	1	Students attendance (Kachi-12)	90	91.89	Achieved
	2	Teacher Presence	90	95.55	Achieved
	3	Head Teacher Presence	90	95.92	Achieved
	4	Availability of boundary wall	98	96.14	Not Achieved
	5	Availability of drinking Water	95	97.98	Achieved
	6	Availability of Furniture	70	43.7	Not Achieved
	7	Classrooms observations	80	76.44	Not Achieved
Infrastructure Indicators	8	Safe Building	98	98.43	Achieved
	9	NSB Time Lines	90	73.95	
	10	NSB Utilization	90	93.02	Achieved
	11	Sufficiency of Toilets	81	82.59	Achieved
Retention Indicators	12	Retention (Kachi-12)	97	87.51	Not Achieved
Monitoring and management Indicators	13	School Hygiene	80	84.42	Achieved
Hot Line Complaints resolution Indicators	14	On Time resolution	90	92.3	Achieved

Source: Data received from CEO (DEA)

iii. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- Record of expenditure amounting to Rs 137.526 million was not produced in 01 case.
- Recoveries and overpayment amounting to Rs 119.567 million were pointed out in 11 cases.
- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 301.318 million was observed in 12 cases.
- Value for Money and Service Delivery Issues of Rs 40.638 million was found in 4 cases.

iv. Service Delivery Issues

From the Data analysis of DEA Layyah following service delivery issues were observed:

- School having boundary wall was targeted to be 98%, while it could be achieved only 96.14%.
- Availability of furniture was targeted 70%, while it could be achieved only 43.70%, student could not avail class room furniture despite provision of huge non-salary budget.
- Funds releasing time line from CEO (DEA) was targeted 90% but achieved only 73.95%. Delay in release of funds to the end user caused major hindrance in achievement of targets.
- Retention of student target was fixed 97% but achieved only 87.51%.

v. Expectation Analysis and Remedial Measures

District Education Authority:

CEO (DEA) did not achieve its overall targets regarding availability of boundary wall, furniture, NSB in timely releases, retention of students (K-12). The management failed in optimal utilization of NSB funds. Furthermore, targets pertaining to AEOs visits, Students Attendance & Retention (1-5), Dangerous Building, etc. were not fixed. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and probity in use of development and non-development funds. Moreover, this can be checked by holding accountable those who are responsible for such irregularities at appropriate forums.
- Shortage of teaching staff at different levels should be overcome.

- Efforts should be made for expediting the realization of various Government receipts and overpayments.
- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

5.1.1 Audit Paras

5.1.1.1 Difference of closing balance DAO and local Bank with negative figures

Risk Categorization: High

Observation:

As per rule 2.2 of PFR Vol.1, all cash transactions should be entered in the cash book and attested in token of check and the cash book should be completely checked and closed regularly. In token of check of cash book the last entry checked therein should be initialed (with date) by the Government servant concerned on each occasion.

During course of financial attest audit of District Account Office Layyah of DEA for the financial year 2018-19 it was noticed that DAO reconciled bank with a huge difference of negative closing balances as detailed below. Table A

DAO Reconciliation figure	Local Bank NBP	Difference
-22,873,081	-23,942,576	-1,069,495

Table B

DAO Reconciliation figure	FS figure	Difference
-22,873,081	-22,126,000	-74,7081

Implication:

The non reconciled releases of funds caused the misrepresentation of figures.

Recommendation:

It is recommended that releases of funds should be reconciled.

**5.1.1.2 Difference of closing balance of FS and SBP figures
Rs -515.771 million****Risk Categorization: High****Observations:**

As per rule 2.2 of PFR Vol.1, all cash transactions should be entered in the cash book and attested in token of check and the cash book should be completely checked and closed regularly. In token of check of cashbook the last entry checked therein should be initialed (with date) by the Government servant concerned on each occasion.

During course of financial attest audit of District Account Office Layyah of DEA for the financial year 2018-19 it was noticed that figures as per financial statement of DEA Layyah and state bank of Pakistan have a huge difference of closing balances as detailed below:

FS figure	SBP Head Office Figure	Difference
-22,126,081	493,644,466	-515,770,547

Implications

The non reconciled releases of funds caused the misrepresentation of figures.

Recommendations:

It is recommended that releases of funds should be reconciled.

Management response:

Compliance will be shown on next meeting.

5.1.1.3 Unauthorized execution of works without prescribed procedure – Rs 5.878 million

Risk Categorization: High

Observation:

According to Government of the Punjab, Finance Department letter No.ADB/District Authorities /01 Dated 20.09.2017, expenditure pertaining to works of the district authorities is required to be incurred in accordance with section 107(7) and (8) of the Punjab Local Government Act 2013 read with Rule 33 and 41 of the Punjab District Authorities (Accounts) Rules, 2017. As per rule 33,41 of Accounts Rule,2017, the accounts officer, while pre auditing the payments, shall follow the procedure and forms prescribed Accounting Policies and Procedure Manual and book of forms.

During Financial Attest Audit of District Education Authority Layyah for Financial Year 2018-19, it was observed that funds amounting to Rs 5.878 million were drawn out of cost center “LL8996 CEO Education Development” against various claims of contractors. Scrutiny of vouchers revealed that no pre audit checks were adopted to make the payment by any authority but only certified/verified gross payments were done by XEN (Building) without concurrence of FD .Vouchers were sanctioned by the CEO and MB, TS etc and other documents relating to payments were not verified by the DAO but only pay order was stamped. Hence, total payment valuing Rs5.878 million made through the cost center of CEO was unauthorized.

HOA	Description	Date	Doc No	Amount
A05270	To Others	12.06.2019	1901285377	2,939,000
A05270	To Others	12.06.2019	1901285376	2,939,000
Total				5,878,000

Implications:

- Undue payments from the Government funds.
- Weak control on the part of concerned department.

Management response:

The work executed by XEN (Buildings), the payment is as deposit work, so maintenance of record is their responsibility.

Recommendations:

Audit recommends regularization of expenditure from the competent authority besides appropriate action should be taken against the concerned.

**5.1.1.4 Unauthorized booking of works bills on net amounts -
Rs 89.620 million****Risk Categorization: High****Observation:**

According to Government of the Punjab, Finance Department letter No.ADB/District Authorities /01 dated 20.09.2017, expenditure pertaining to works of the district authorities is required to be incurred in accordance with section 107(7) and (8) of the Punjab Local Government Act 2013 read with Rule 33 and 41 of the Punjab District Authorities (Accounts) Rules, 2017. As per rule 33,41 of Accounts Rule,2017, the accounts officer , while pre auditing the payments, shall follow the procedure and forms prescribed Accounting Policies and Procedure Manual and book of forms.

During Financial Attest Audit of District Education Authority Layyah for Financial Year 2018-19, it was observed that an amount of Rs.89.620 million was booked on net amount basis instead of gross amounts. Furthermore, securities were paid directly to XEN (Buildings) from A-12403 instead of making proper entries with charging gross amount to schemes and necessary deductions in Liabilities Head "G-104" i.e securities and without knowing the year of occurrence (against matching principle). Specially payment of securities in SAP without creating liability

Implications:

- Undue payments from the Government funds.
- Weak control on the part of concerned department.

Management response

It was replied that gross amounts were booked to schemes, for each deduction cheques were issued and securities were paid to XEN (buildings).

Recommendation:

Audit recommends regularization of expenditure from the competent authority besides appropriate action should be taken against the concerned.

Chapter 2

District Education Authority, Layyah

5.2.1 Introduction:

District Education Authority, Layyah was established on 01.01.2017 under the Punjab Local Government Act 2013. DEA, Layyah is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

CEO is the Principal Accounting Officer of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the DEA Group of Offices is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

DEA Layyah manages following educational facilities and institutes:

Description	No. of offices / schools
Primary Schools	1114
Middle Schools	248
High Schools	154
Higher Secondary Schools	08
Dy. DEO (EE-M)	03
Dy. DEO (EE-W)	03
DEO (Elementary Education)	01
DEO (Secondary Education)	01
CEO (District Education Authority)	01

The detail of Audit jurisdiction in respect of District Education Authority Layyah is given below:

(Rupees in million)

Sr. No.	Description	Total No.	Audited	Expenditure audited F.Y. 2018-19	Revenue /Receipts audited F.Y. 2018-19
1	Formations	178	07	3,885.239	6.418
2	Assignment Accounts (Excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

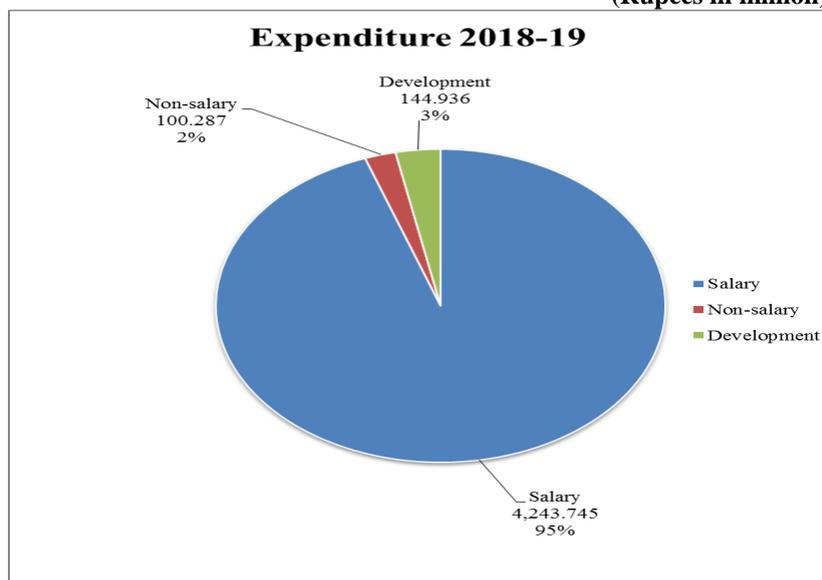
5.2.2 Comments on Budget and Accounts

The detail of budget and expenditure is given below in tabulated form:

(Rupees in million)

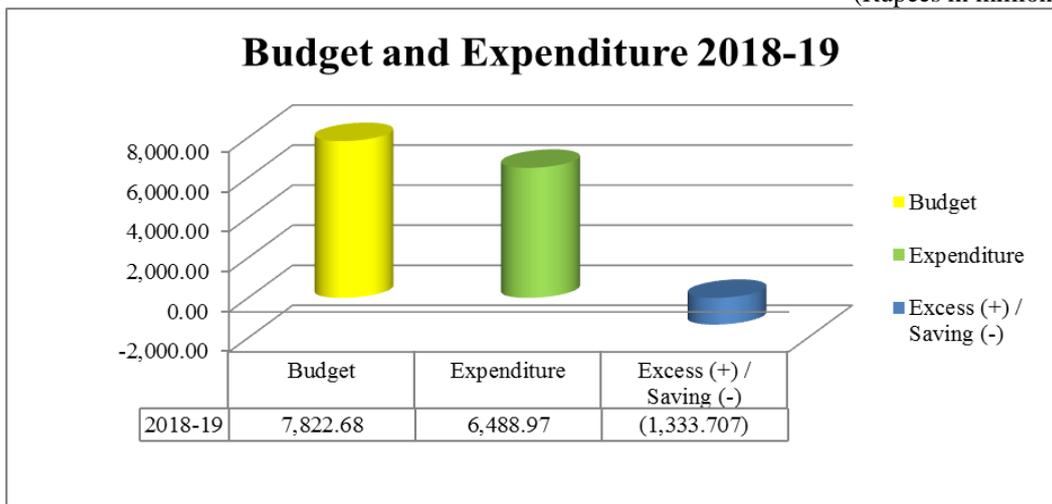
Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	7,418.576	6,243.745	(1,174.831)	(16)
Non Salary	161.098	100.287	(60.811)	(38)
Development	243.001	144.936	(98.065)	(40)
Total	7,822.675	6,488.968	(1,333.707)	(17)

(Rupees in million)



As per the Appropriation Accounts 2018-19 of the District Education Authority, Layyah, total original budget (Development and Non-Development) was Rs 7,822.675 million. Against the budget, total expenditure of Rs 6,488.968 million was incurred by the District Education Authority during 2018-19. Lapse of funds amounting to Rs 1,333.707 million came to the notice of audit due to inefficient financial management in release of budget by Deputy Director (Finance). No plausible explanation was provided by PAO and management of the District Education Authority Dera Ghazi Khan. (Annexure-B)

(Rupees in million)



Due to inefficient financial management in release of budget by Deputy Director (Finance), major portion of funds lapsed as detailed below:

- (ii) Excessive budget was blocked by allocating heavy amounts in non development portion which resulted in lapse of Rs 60.811 million (38 per cent).

An amount of Rs 98.065 million (40 per cent) remained unutilized under Grant 36 “Development” due to less development activities.

5.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 599.049 million were raised as a result of this audit. This amount also includes recoverables of Rs 119.567 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount
1	Non-production of record	137.526
2	Reported cases of fraud, embezzlement and misappropriation	0
3	Irregularities	0
A	HR / Employees related irregularities	42.987
B	Procurement related irregularities	377.898
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	40.638
5	Others	0
Total		599.049

5.2.4 Comments on the Status of Compliance with PAC Directives

The Audit Report pertaining to the following years was submitted to the Governor of the Punjab but has not been presented to the Public Accounts Committee.

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	12	PAC not constituted
2	2018-19	23	PAC not constituted

5.2.5 Audit Paras

5.2.5.1 Non-Production of Record

5.2.5.1.1 Non-production of record - Rs 137.526 million

According to Clause 14 (1) (a) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for keeping of initial and subsidiary accounts.

The following DDOs incurred expenditure of Rs 137.526 million during 2018-19, but vouched accounts of the expenditure contingencies, unforeseen expenditure and pay and allowances were not produced for audit verification.

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Choubara	Arrears of pay and allowances	12.901
2		NSB record	0.584
3	Dy. DEO (EE-W) Layyah	Arrears of pay and allowances	51.358
4		TA/DA	0.402
5			2.400
6	Dy. DEO (EE-M) Layyah	NSB record	2.700
7	Dy. DEO (EE-M) Choubara		6.000
8		POL bills and logbook	0.213
9	Dy. DEO (EE-M) Karor	Arrears of pay and allowances	29.500
10		Logbook	0.354
11	Dy. DEO (EE-W) Karor	Arrears of pay and allowances	31.114
Total			137.526

Audit is of the view that due to weak financial management, the record was not produced for audit verification.

Non-production of record created doubt regarding legitimacy of the expenditure of Rs 137.526 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to inquire the matter, fix responsibility and disciplinary action on the person(s) at fault for non-production of record, and to ensure that the record is produced to Audit for scrutiny.

[AIR Paras:20,23,10,30,37,19,16,17,8,26,21]

5.2.5.2 Irregularities

5.2.5.2.1 Incurrence of expenditure without pre-audit – Rs 89.968 million

According to rule 16(b) of Punjab District Authorities (Accounts) Rules 2017, the Accountant General Punjab or the District Accounts Officer, as the case may be, shall perform pre-audit on all payments from local fund and public accounts of a District Authority before authorizing the disbursement of amount.

CEO (DEA) incurred an expenditure of Rs 89.868 million during 2018-19 out of cost center “LY8996 CEO Education Development” against various claims of contractors for construction of schools. Vouchers were neither sanctioned by the CEO nor MB and other documents relating to payments were verified by the CEO being the DDO of said cost center. District Accounts Officer did not observe the above instructions regarding pre audit of claims. Hence the payment made for development work through the cost center of CEO was unauthorized.

Audit is of the view that due weak financial management, payment was made without pre-audit of expenditure.

Insurance of expenditure without pre-audit resulted in unauthorized utilization of funds of Rs 89.968 million.

The matter was reported to the CEO in September 2019, but nor reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry, fixing responsibility on the person(s) at fault besides regularization of the expenditure.

[AIR Para No.7]

5.2.5.2.2 Irregular payments in cash instead of crossed cheques - Rs 65.074 million

According to Rule 4(1)(b) of the Punjab District Authorities (Accounts) Rules 2017, the payment exceeding rupees one thousand shall be made through crossed non-negotiable cheque.

The following DDOs and schools under their administrative controls made payments of Rs 65.074 million during 2018-19 to various contractors and suppliers on account of contingent expenditure and repair & maintenance in cash instead of crossed cheques.

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Choubara	Payment by the DDO to supplier	0.308
2	Dy. DEO (EE-W) Layyah		0.316
3	Dy. DEO (EE-M) Layyah	Payment by schools incharge	34.187
4	Dy. DEO (EE-M) Choubara		29.828
5		Payment by the DDO to supplier	0.435
Total			65.074

Audit is view that due to weak financial management, payment to suppliers was made in cash.

Cash payments made to contractors / employees resulted in irregular payments of Rs 65.074 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person (s) at fault besides regularization of the expenditure from the competent authority.

[AIR Paras:25,33,15,13,22]

5.2.5.2.3 Loss due to non-reduction of bricks rate - Rs 45.919 million

According to Sr. No.5 and 7, chapter 7 of the Market Rate System (MRS) issued from the Government of Punjab, Finance Department, the composite rate is to be reduced by 7% and 14%, if 2nd or 3rd class bricks are used.

CEO (DEA) made payment against brick work for construction of classrooms in 61 schemes during 2018-19. However, neither the amount was reduced by Rs 45.919 million (14%) nor lab test of bricks from prominent laboratory for assessing the 1st, 2nd or 3rd class bricks was available.

Audit is of the view that due to weak financial management, payments to the contractor were made without reducing bricks rate.

Non-reduction of bricks rate resulted in loss of Rs 45.919 million to the Government exchequer.

The matter was reported to the CEO in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends that the documentary proof of lab test may be provided to prove the utilization of 1st class bricks otherwise recovery of Rs 45.919 million may be made from the contractors.

[AIR Para:8]

5.2.5.2.4 Expenditure over and above the budget allotment - Rs 44.080 million

According to the Finance Department notification No.F.D(M-11)/1-2/82 dated 05.09.1983, explanation will be required in cases of all excesses under a Grant / Appropriation. Furthermore, as per clarification issued by the Finance Department vide letter No. B-I-3(121)/2009-2010 dated 02.02.2010, the above principles shall apply to savings / excesses in each major / semi-detailed object code.

Dy. DEO (W-EE) Layyah incurred an expenditure of Rs 44.080 million during 2018-19 in excess of the budget allocation under various object code. The detail is as below:

(Rupees in million)

Year	C Center	Head	Budget	Expenditure	Excess
2018-19	LL-6337	Total Pay	6,362,000	6,812,813	486,813
	LL6333	Inspection allowance	0	1,410,170	1410170
		Financial Assistance	10,000,000	22,000,000	12,000,000
		Total Other Allowances	15,001,000	45,184,196	30,183,196
Total			31,363,000	75,407,179	44,080,179

Audit is of the view that due to weak financial controls, expenditure was incurred in excess of budget allocation.

Utilization of funds in excess of allocation resulted in irregular expenditure of Rs 44.080 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of expenditure from the Finance Department.

[AIR Para:22]

5.2.5.2.5 Doubtful expenditure due to non-accountal of store - Rs 35.037 million

According to Rule 15.4 of PFR Vol-I, all materials received should be examined, counted, measured and weighed as the case may be when delivery is taken and the same should be kept in charge of a responsible Government servant.

The school heads under the administrative control of following DDOs withdrew an amount of Rs 35.037 million during 2018-19 for purchase of various

items but the relevant stock register was not produced, without which the authenticity of expenditure could not be ascertained. The detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount of expenditure
1	Dy. DEO (EE-M) Karor	22.105
2	Dy. DEO (EE-W) Karor	12.932
Total		35.037

Audit is of the view that due to weak internal controls, the purchased items were not accounted for in the relevant stock register.

Purchase of store items without accountal resulted in unauthorized expenditure of Rs 35.037 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of loss, if established.

[AIR Paras:21,23]

5.2.5.2.6 Non-deduction of taxes - Rs 25.953 million

According to Section 153(1) and 1(c) of Income Tax Ordinance, 2001, every prescribed person, while making a payment in full or part, shall deduct tax at the specified rate from the gross amount payable. Furthermore, according to Clause 1.3 of Sales Tax Special Procedure (Withholding) Rules, 2007, withholding agents are required to deduct an amount equal to 1/5th (20 percent) of the total Sales Tax. Moreover, according to Rule 5 of Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent shall deduct Sales Tax at the applicable rate of the value of taxable services provided to him from the payment due to the service provider.

The following DDOs made payments against supply of goods, rendering of services and execution of contracts during 2018-19. However, an amount of Rs 25.953 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not /less deducted from the payments. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Income Tax	PST/ Sales Tax	Withholding Tax on Services	Amount
1	CEO (DEA)	0.925	-	-	0.925
2	Dy.DEO (EE-W) Choubara	0.589	0.706	-	1.295
3	Dy.DEO (EE-W) Layyah	0.433	1.134	0.633	2.2
5	Dy.DEO (EE-W) Layyah	0.632	2.407	0.118	3.157
6	Dy.DEO (EE-M) Choubara	0.814	3.187	0.16	4.161
7	Dy.DEO (EE-M) Karor	2.912	4.765	-	7.677
8	Dy.DEO (EE-W) Karor	2.335	4.203	-	6.538
	Total	8.64	16.402	0.911	25.953

Audit is of the view that due to non-compliance of tax laws, taxes were not deducted / withheld at specified rates.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 25.953 million to the suppliers/service providers/contractors.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 25.953 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:12,14,15,16,17,19,34,35,17,20,21,15,18,19,14,15,16,17,19, 15,16,17,19,20]

5.2.5.2.7 Recovery of irregular payment of inspection allowance - Rs 20.055 million

According to Government of the Punjab, School Education Department notification No.SO(ADP) MISC-409/2012 dated 29.08.2012, the inspection allowance @ Rs 5000/month shall be payable to the AEOs on the basis of at least 50 inspection of schools in a month and in case of less than 50 schools inspection ,it shall be claimed @ Rs 100 per school inspection.

The following DDOs paid an amount of Rs 20.055 million during 2018-19 on account of inspection allowance to AEOs. Inspection allowance was paid to AEOs in summer vacation, training and AEOs of headquarter which resulted unauthorized because this allowance was in lieu of TA/DA and will be paid after making of hundred percent visits/performance bases. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Period	No. of Employees	Amount
1	Dy. DEO (EE-W) Choubara	2018-19	5	0.110
2	Dy. DEO (EE-W) Layyah		18	1.275
3			18	0.825
4			18	1.805
5			23	0.862
6	Dy. DEO (EE-M) Layyah		3	0.150
7	Dy. DEO (EE-M) Choubara		12	0.450
8			15	0.272
9	Dy. DEO (EE-M) Karor		40	7.129
10			18	1.275
11	Dy. DEO (EE-W) Karor		13	0.825
12			15	5.077
Total			198	20.055

Audit is of the view that due to weak financial management, inadmissible inspection allowance was paid to AEOs.

Payment of inadmissible inspection allowance resulted in overpayment of Rs 20.055 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs 20.055 million.

[AIR Paras:4,14,27,31,5,10,7,10,3,23,5,9]

5.2.5.2.8 Execution of RCC work without quality test - Rs 19.965 million

According to additional Clause 60,64,66 of Contract Agreement, samples of steel to be used in reinforcement cement concrete work shall be got tested. Testing of concrete to ensure that specified strength as per specification or as desired by engineer in charge is being achieved. Reinforcement steel should be of intermediate grade deformed bars with yield stress not less than 40000 lbs per square inch. This shall be supplied by MS PECO Lahore, M/S Abdul Qayum, Itifaq Industries. Receipt for the purchase from such supplier shall be enclosed with bill.

CEO (DEA) Layyah paid an amount of Rs 19.965 million to contractors against 60 development schemes of construction of education complex, classrooms and boundary walls, during 2018-19. The lab test of mild steel used in reinforcement and concrete was not on the record and the bills were not supported with receipt from the prescribed suppliers.

Audit is of the view that due to weak financial management, payments were made without quality test of mild steel.

Payment of mild steel without quality test resulted in unjustified expenditure of Rs 19.965 million.

The matter was reported to the CEO in September 2019, but nor reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends that documentary proof of lab test / invoices may be provided to prove the RCC work as per rules otherwise matter may be investigated for fixing responsibility on the person(s) at fault.

[AIR Para:9]

5.2.5.2.9 Unjustified expenditure out of SMC / NSB fund - Rs 17.925 million

According to School Council Policy 2007 amended in 2013 circulated by School Education Department issued vide No.SO(S-III)2-12/2006 dated 06.08.2007, all expenditure shall be incurred with prior approval of the school council and all purchases/ execution of work shall be carried out in a transparent and economical manner.

The following DDOs incurred an amount of Rs 17.925 million during 2018-19 out of NSB / SMC budget / funds. The expenditure was incurred without approval of valid school management council and having proof of actual work done. Furthermore, the work done was never inspected and verified by the education authorities. In most cases cash payment was made instead of crossed cheque. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Choubara	Repair & maintenance, white wash	6.142
2	Dy. DEO (EE-W) Layyah	Repair & maintenance/ development work	2.644
3	Dy. DEO (EE-M) Layyah	Repair & maintenance, white wash	5.313
4	Dy. DEO (EE-M) Choubara		3.826
Total			17.925

Audit is of the view that due to weak financial management, expenditure was incurred without observing codal formalities.

Non-observance of codal formalities resulted in unjustified expenditure of Rs 17.925 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the expenditure from the competent authority.

[AIR Paras:18,37,16,14]

5.2.5.2.10 Payments without detailed design and measurements - Rs 9.395 million

According to B & R Code Paragraph 4.5, no payment should be made without detailed measurement in the measurement book. The description of the work must be lucid so as to admit of easy identification and check.

Under the administrative control of following DDOs, school heads incurred an expenditure of Rs 9.395 million on account of toilet, chupper, and boundary wall without detailed measurement, detail design and detail estimate without which authenticity of expenditure could not be acceptable.

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (EE-M) Karor	3.508
2	Dy. DEO (EE-W) Karor	5.887
Total		9.395

Audit is of the view that due to weak financial management, expenditure was incurred without detailed design and measurement.

The incurring of expenditure without detailed design and measurement resulted in unjustified expenditure of Rs 9.395 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of expenditure.

[AIR Paras: 18,18]

5.2.5.2.11 Unauthorized expenditure on purchase of furniture - Rs 8.071 million

According to Rule 2.31 of the PFR Vol-1, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

School heads under the administrative control of the following DDOs incurred an expenditure of Rs 8.071 million during 2018-19 on account of purchase of furniture. The specifications of furniture i.e. quality, height, length etc. were not mentioned on the quotations as well as on the bills. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Amount
1	Dy. DEO (M-EE) Karor	116	4.704
2	Dy. DEO (W-EE) Karor	75	3.367
Total		191	8.071

Audit is of the view that due to weak financial management, expenditure was incurred without observing codal formalities.

Non observance of codal formalities resulted in unauthentic expenditure of Rs 8.071 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility against the person(s) at fault.

[AIR Paras:22,24]

5.2.5.2.12 Non-recovery of penalty due to non-completion of development schemes - Rs 7.552 million

According to Clause 39 of the Contract Agreement, the time limit for carrying out the work as entered in the tender shall be strictly observed by the contractor. The contractor shall pay as compensation an amount equal to one percent of the amount of contract subject to a maximum of 10 percent or such smaller amount as the Engineer-in-Charge may decide, for every day that the work remains un-commenced or unfinished after the proper date.

Chief Executive Officer (DEA) Layyah made payment of Rs 75.523 million during 2018-19 to the contractors for execution of 37 development schemes. The contractors could not complete the works during contract period. Furthermore, executing agency did not impose penalty @ 10% amounting to Rs 7.552 million for unnecessary delay in completion of schemes.

Audit is of view that due to weak financial management, penalty was not imposed on the contractors for delay in completion of schemes.

Non-completion of development schemes and non-recovery of penalty amounting to Rs 7.552 million resulted in deprivation of envisaged benefits and undue favour to the contractors.

The matter was reported to the CEO in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends that penalty may be imposed on contractor without further delay besides fixing responsibility on the person(s) at fault.

[AIR Para: 10,24]

5.2.5.2.13 Unauthorized payment of conveyance allowance during leave - Rs 6.703 million

According to the Government of the Punjab, Finance Department letter No. SR, 1.9-4/86(P) (PR) dated 04.12.2012 (clarification), conveyance allowance is allowed for travelling from house to office and vice versa. Further as per Rule 1.15 of TA Rule, no conveyance allowance is admissible during the period of leave of any kind or vacation.

The following DDOs paid an amount of Rs 6.703 million during 2018-19 on account of conveyance allowance to employees during winter/summer vacations and to the employees who were on leave. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Choubara	Winter vacation	0.556
2		Summer vacation	0.589
3		Leave on full pay	0.176
4	0.411		
5	Dy. DEO (EE-M) Layyah	Summer vacation	0.049
6	Dy. DEO (EE-M) Karor	Winter Vacation	1.725
7		Summer vacation	0.014
8		Leave on full pay	0.255
9	Dy. DEO (EE-W) Karor	Winter Vacation	1.931
10		Summer vacation	0.168
11		Leave on full pay	0.829
Total			6.703

Audit is of the view that due to weak financial management, inadmissible conveyance allowances were paid to employees during vacations and leaves.

Grant of inadmissible conveyance allowance to employees resulted in overpayment of Rs 6.703 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs 6.703 million.

[AIR Paras:6,8,11,11,6,2,5,13,4,8,14]

5.2.5.2.14 Unauthorized expenditure without advertisement - Rs 6.672 million

According to Rule 9 of Punjab Procurement Rules 2014, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

The following DDOs incurred an expenditure of Rs 6.672 million during 2018-19 for purchase of various items without advertisement on PPRA website. The bills were split up to avoid the advertisement process. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	CEO (DEA)	Stationery & other items	0.256
2	Dy. DEO (EE-W) Choubara	Furniture	0.655
3	Dy. DEO (EE-W) Layyah		1.616
4	Dy. DEO (EE-M) Karor	Furniture, repair & maintenance	0.871
5	Dy. DEO (EE-W) Karor	Furniture & development	3.274
Total			6.672

Audit is of the view that due to weak financial management, no advertisement was floated on PPRA website.

Non-compliance of the Government instructions resulted in irregular expenditure of Rs 6.672 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) concerned besides regularization of the expenditure.

[AIR Paras:1,13,39,9,12]

5.2.5.2.15 Overpayment due to non-fixation of basic pay and allowance - Rs 3.651 million

According to Government of the Punjab, Service and General Administration Department notification no. DS(O&M) 5-3/2004/contract (MF) 10.11.2010, upon regularization of services of employees working on contract basis in various department, the pay is to be fixed at the initial of the respective pay scale and services period of contract shall not be counted for any purpose pension, gratuity, leave, etc.

The following DDOs regularized the services of teachers/employees w.e.f 07.08.2015. However, the pay and allowances was not re-fixed to initial stages after regularization and overpayment amounting to Rs 3.651 million was made during 2018-19. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Object detail	Number of Employees	Amount
1	CEO (DEA)	Social Security Benefit	01	0.109
2	Dy. DEO (EE-W) Layyah	Basic pay	36	0.743
3		Adhoc Allowances	36	0.149
4	Dy. DEO (EE-M) Layyah	Basic pay	77	1.487
5		Adhoc Allowances	115	0.341
6	Dy. DEO (EE-M) Choubara	Basic pay	20	0.442
7		Adhoc Allowances	60	0.149
8	Dy. DEO (EE-W) Karor	Social Security Benefit	05	0.231
Total				3.651

Audit is of the view that due to weak financial management, the pay and allowances of the employees were not re-fixed after regularization of services.

Non-fixation of pay and allowances resulted in overpayment of Rs 3.651 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs 3.651 million.

[AIR Paras:6,1,2,1,2,1,2,2]

5.2.5.2.16 Overpayment due to excessive use of steel - Rs 2.855 million

According to technically sanctioned estimates, 6.75 pounds of steel or 3.06 kg (6.75x 0.454) was required to be consumed in one cft area for reinforced cement concrete work of slab of rafts/strip foundation, slab beam & 3.632 kg (8x0.454) in column of all floors of scheme.

Chief Executive Officer (DEA) allowed payment of Rs 2.855 million during 2018-19 against excessive use of steel against R.C.C in roof slab, rafts/strip foundation and in column. While as per technically sanctioned estimate, steel was required to be used 3.06 Kg per cft in roof slab, rafts/strip foundation & column. The detail is given below:

(Amount in rupees)

Scheme	Reference / bill	Mild steel qty	Mild steel rate	RCC QTY	Required Steel	Excessive Steel	Amount of Recovery
Construction of building for Special Education Centre	C.C 10th & Running Bill	89,783	11,679	21,771	66,717	23,066	2,694,004
Construction of B/W at GGMS Layyah.	C.C.1st& Running Bill	3,889	10,957	940	2,881	1,008	110,488

Scheme	Reference / bill	Mild steel qty	Mild steel rate	RCC QTY	Required Steel	Excessive Steel	Amount of Recovery
Construction of C/R at GPS Zafar wala jadeed	CC 3rd Running Bill	1,453	11,289	393	1,205	249	28,085
Construction of 01 C/Room at GPS Mian Wala	C.C 4th & Running Bill	1,131	11,290	322	986	145	16,364
Construction of 01 C/Room at GPS Aureky Wala	C.C 2nd & Running Bill	96	11,450	5	14	82	9,237
Construction of Toilet Block One Set at GPS 84/TDA	C.C.1st& Running Bill	106	9,995	25	78	28	2,835
Construction of Two C/Rooms at GPS Shah Wala	C.C 3rd & Running Bill	1,264	11,490	404	1,238	25	2,909
Total							2,855,054

Audit id of the view that due to weak financial management, payment was made in excessive use of steel than standard quantity.

Payment in excess of standard quantity resulted in overpayment of Rs 2.855 million.

The matter was reported to the CEO in September 2019, but nor reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) at fault besides recovery of overpaid amount from the contractors concerned.

[AIR Para:13]

5.2.5.2.17 Non-maintenance of security deposit register - Rs 2.672 million

According to Rule 100(3) of the Punjab Local Government Act, 2013, every local government shall maintain a Public Account to place all revenues received by the local government from the receipt accruing from trusts

administered are managed by the local government, refundable deposits received by the local government and deferred liabilities.

CEO (DEA) Layyah deducted Rs 2.672 million during 2018-19 on account of security from contractors' bills. But the security deposit register in support of local public fund accounts containing information of receipt and return of securities to contractors was not maintained. So, there was no way to verify the receipt and return of the security deposits.

Audit is of the view that due to weak financial controls, security deposit register was not maintained by the department.

Non-maintenance of security deposit register resulted in doubtful deduction of Rs 2.672 million.

The matter was reported to the CEO in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends that the responsibility may be fixed on the person responsible for non-maintaining the requisite record and making payment.

[AIR Para:15]

5.2.5.2.18 Unauthorized payment of inadmissible allowances - Rs 2.468 million

According to Rule 9(b) of the Punjab District Authorities (Accounts) Rules 2017, the DDO and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

The following DDOs allowed payment of charge allowance, science teaching allowance, integrated allowance, and inadmissible allowances of Rs 2.468 million during 2018-19 to employees which were not admissible to them.

(Rupees in million)

Sr. No.	DDOs	Nature of withdrawal	Amount
1	Dy. DEO (EE-W) Choubara	Charge Allowance to AEO	0.076
2		Personal Allowance	0.191
3		Charge Allowance	0.014
4	Dy. DEO (EE-W) Layyah	Charge Allowance to AEO	0.162
5		Charge Allowance	0.174
6		Integrated Allowance	0.153
7		Inadmissible Allowances	0.295
8		Inspection allowance to teachers	0.240
9		Conveyance allowance	0.025
10	Dy. DEO (EE-M) Layyah	Charge Allowance to AEO	0.259
11		Charge Allowance	0.063
12	Dy. DEO (EE-M) Choubara	Science Teaching Allowance	0.014
13		Charge Allowance to AEO	0.088
14	Dy. DEO (EE-M) Karor	Charge Allowance to AEO	0.138
15		Charge Allowance	0.318
16		Conveyance Allowance	0.015
17	Dy. DEO (EE-W) Karor	Charge Allowance to AEO	0.118
18		Conveyance Allowance to Dy. DEO	0.040
19		Charge Allowance	0.085
Total			2.468

Audit is of the view that due to weak financial management, inadmissible allowances were paid to the employees.

Grant of inadmissible allowances resulted in loss of Rs 2.48 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs 2.468 million.

[AIR Paras:1,2,19,3,13,15,16,24,28,9,12,6,9,1,6,7,1,10,11]

5.2.5.2.19 Overpayment on account of use of local sand – Rs 1.938 million

According to item No. 06 of chapter “Concrete” of MRS (Market Rate Schedule), composite rate of RCC shall be reduced as detail below, if Chanab sand or local sand is respectively used.

Period	Rate
1 st Quarter 2007 to 3 rd Qtr 2009	Rs5 Per Cft & Rs7 Per Cft
4 th Quarter 2009 to 4 th Qtr 2010	Rs.5 Per Cft & Rs11.5 Per Cft
1 st Quarter 2011 to June 2018	Rs.5.5 Per Cft & Rs12 Per Cft

Chief Executive Officer (DEA) Layyah, allowed to the contractors full rate of sand used in 46 development schemes during 2018-19. The evidence of coarse sand used was not on record. An amount of Rs 1.938 million was also not deducted for use of local sand.

Audit is of the view that due to weak financial management, overpayment on account of sand was made to contractors.

Non deduction of excessive rate of local sand caused loss to the Government amounting to Rs 1.938 million.

The matter was reported to the CEO in September 2019, but nor reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs 1.938 million from contractors.

[AIR Para:21]

5.2.5.2.20 Non deduction of G.P. fund, G. insurance & B. fund from the pay of permanent employees - Rs 1.358 million

According to Clause 9 of Punjab District Authorities (Accounts) Rules 2017, that DDO and payee of the pay, allowances, contingent expenditure or any

other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

The following DDOs of District Education Authority Layyah, regularized the services of teachers w.e.f from 08.07.2015, but necessary deduction of G.P fund, group insurance and B.Fund were not made from the pay. It resulted in loss of Rs 1.358 million. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Layyah	B. Fund, G. Insurance	0.230
2		G.P Fund	0.977
3	Dy. DEO (EE-M) Layyah	G. Insurance	0.151
Total			1.358

Audit is of the view that due to weak financial management, necessary deduction of G.P. fund, group insurance and B.fund were not made.

Non deduction of G.P. fund, group insurance and B.fund from salaries resulted in overpayment of Rs 1.358 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs 1.358 million.

[AIR Paras:6,7,11]

5.2.5.2.21 Un-authorized payment against weather shield / paint - Rs 1.260 million.

According to Government of the Punjab, Finance Department letter no. RO (TECH) FD-2-8/98 dated 05.06.2000, applying of weather shield paint is only permissible in case of buildings of historical nature. Furthermore, according to Rule 9 of Punjab Procurement Rules 2014, a procuring agency shall announce

in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

The heads of 33 schools under the administrative control of Dy. DEO (W-EE) Layyah incurred an expenditure of Rs 1.260 million on account of weather shield on the school buildings which were neither historical. The bills of paint/white wash were split just to avoid quotations and tendering process.

Audit is of the view that due to weak financial management, weather shield was applied to school without necessary approval.

Non observance of codal formalities resulted in unauthorized expenditure.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of the expenditure from the competent authority.

[AIR Para:17]

5.2.5.2.22 Unjustified payment of TA / DA - Rs 1.200 million

According to Rule 2.31 of the PFR Vol-1, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

Dy. DEO(EE-M) Layyah paid an amount of Rs 1.200 million during 2018-19 on account of TA/DA to SST (declared as litigation officer) of court cases. At the same time, in the office of CEO, Assistant Director Litigation was working and millions of budget was spent against TA / DA (court cases). In presence of one litigation officer (assistant director), the payment against TA / DA in favor of teacher against court cases was unjustified.

Audit is of the view that due to weak financial management, unjustified payment on account of TA/DA against court cases was paid.

The payment of TA/DA against court cases to teacher in presence of litigation officer was unjustified.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry, fixing responsibility and appropriate action against the person(s) at fault.

[AIR Para:13]

5.2.5.2.23 Less recovery on account of old material - Rs 1.115 million

According to Additional Clause 22 of the Contract Agreement of C&W Department, the cost of material received from dismantling, if any, will be deducted from the bill of the contractor at market rates if it is used by him on construction work. If the contractor does not return the unused dismantled materials, its cost will be recovered from his bill at double the market rates.

CEO (DEA) Layyah paid the contractor bills during 2018-19 in 18 schemes of reconstruction of classrooms. Scrutiny of bills revealed that dismantled material was not used in construction schemes and taken away by contractor. But cost of old material amounting to Rs 1.115 million was not deducted at double the market rates.

Audit is of the view that due to weak financial management, less deduction on account of old material was recovered.

Less recovery on account of old material resulted in loss of Rs 1.115 million to the Government.

The matter was reported to the CEO in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs 1.115 million from the contractors.

[AIR Para:23]

5.2.5.3 Value for Money and Service Delivery Issues

5.2.5.3.1 Non utilization of budget due to non-establishment of IT labs - Rs 18.514 million

According to Rule 93(d) of the Punjab Local Government Act 2013, a District Education Authority shall ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education.

A tied grant of Rs 18.514 million was released to CEO (DEA) Layyah, specified for purchase of computer, networking, furniture for IT Labs and provision of science labs, IT labs from 2011-12 to 2017-18. However, despite dire need of computer lab and science lab material were not purchased and budget amounting to Rs 18.514 million remained un-utilized.

Audit is of the view that due to weak managerial controls, the learners/students were deprived off from the basic necessities of education and Government efforts for educating to all remained unsuccessful.

Non utilization of funds amounting to Rs 18.514 million resulted in non-achievement of educational goals as well as depriving the students for standard education.

The matter was reported to the CEO in September 2019, but nor reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides utilizing the funds for specified purpose without delay.

[AIR Para:17]

5.2.5.3.2 Lapse of fund on account of deposit work - Rs 11.368 million

According to clarification issued by the Government of the Punjab, Finance Department vide No.SO(H-1)I-41/2017(P&SHCD)(AD)(Prov) dated 04.04.2019, as the closing balance of the deposit work is lapsable, it may be reverted back to the account V on the close of the financial year. Furthermore, as per Rule 7.84 (b) of Departmental Financial Rules, in case of deposit work, steps should be taken promptly to surrender the unexpended balance, if any, of the deposit with the approval of the Divisional Officer.

CEO (DEA) Layyah, released funds amounting to Rs 11.368 million during 2018-19 to Executive Engineer (Buildings) Layyah, against 27 development schemes to be executed as deposit work. However, at the close of the financial year neither the detail of schemes executed was on record nor the amount released was refunded back to avoid the lapse of funds. The detail of releases is given below:

(Rupees in million)		
Document No	Drawl Date	Amount
1901231487	12.06.2019	0.773
1901285378	12.06.2019	0.667
1901288294	12.06.2019	1.073
1901285377	12.06.2019	2.939
1901193161	12.06.2019	0.667
1901254293	12.06.2019	1.073
1901288295	12.06.2019	0.606
1901193162	12.06.2019	0.631
1901285376	12.06.2019	2.939
Total		11.368

Audit is of the view that due to weak financial management, the funds were lapsed.

The lapse of funds for Rs 11.368 million put the completion of schemes at risk.

The matter was reported to the CEO in September 2019, but nor reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiring the matter, fixing responsibility against the person(s) at fault and making the loss good from the concerned officers / officials.

[AIR Para:16]

5.2.5.3.3 Unauthorized retention of public money in DDO account - Rs 9.385 million

According to Rule 2.10(5) of PFR Vol-I, no money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance.

Deputy District Education Officer (EE-W) Layyah withdrew an amount of Rs 9.385 million out of the Government treasury during 2018-19. However, the same was not disbursed to the concerned claimants till June 2019. A heavy closing balance was being shown in the bank statements concerned.

Audit is of the view that due to weak financial management, the Government funds drawn from the Government treasury was not promptly disbursed to the claimants concerned.

Delay in disbursement of the Government money resulted in unauthorized retention of public money of Rs 9.385 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry, fixing responsibility and appropriate action on the person(s) at fault besides regularization of matter.

[AIR Para: 32]

5.2.5.3.4 Unrealistic budget estimates and lapse of funds - Rs 1.371 million

According to clarification issued by the Finance Department vide letter No. B-I-3(121)/2009-2010 dated 02.02.2010, all departments shall ensure that no savings are depicted in their accounts and no percentage will be available with regard to savings therein.

Dy. DEO (W-EE) Layyah was provided a budget of Rs 2.433 million under certain object codes against which expenditure of Rs 1.062 million was incurred leaving the unutilized balance of Rs 1.371 million. The detail is given below:

(Amount in rupees)

Year	C Center	Head	Budget	Expenditure	Balance
2018-19	LL6333	Total Non-salary	158,000	0	158,000
		Pay of contract staff	263,000	0	263,000
	LL6337	Encashment of LPR	500,000	0	500,000
		Total Non-salary	1,512,000	1,062,231	449,769
Total			2,433,000	1,062,231	1,370,769

Audit is of the view that due to weak financial management, unrealistic budget was prepared and the savings were not surrendered well in time.

Non surrendering of unutilized budget resulted in unnecessary blockage of funds.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility against the person(s) at fault besides regularization of the matter from the competent authority.

[AIR Para:25]

6. District Education Authority (DEA) Muzaffargarh

Chapter 1

Public Financial Management Issues

Directorate General Audit (Distt.Govts.) Punjab (South) Multan conducts Financial Attest Audit of the Accounts of District Education Authority Muzaffargarh on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	7,597.768	7,593.592	(4.176)	(0)
Non-Salary	66.165	65.721	(0.444)	(1)
Development	101.640	67.427	(34.213)	(34)
Total	7,765.573	7,726.740	(38.833)	(1)

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 67.427 million against an allocation of Rs 101.640 million for 30 development schemes of construction of dangerous classrooms, provision of missing facilities, provision of IT labs in elementary and high schools and up-gradation of Government Girls High Schools. 02 schemes of provision of missing facilities could not be completed and an amount of Rs 34.213 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 38.833 million lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statement (Certification Audit 2019-20)

During Certification Audit of DEA Muzaffargarh for the Audit Year 2019-20, it was noticed that unauthorized payment was made to the contractors by the DAO on account of development schemes without exercising the prescribed pre-audit checks.

The Appropriation Accounts and Financial Statements of DEA Muzaffargarh for the financial year 2018-19 properly present, in all material respects, the financial position of the District Education Authority, Muzaffargarh as at 30th June 2019.

The following issues surfaced during Certification Audit of District Education Authority Muzaffargarh.

- Unauthorized payment against development schemes without prescribed procedures and pre-audit - Rs 15.823 million

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Muzaffargarh was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicator	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Core Indicator	1	Students attendance (K-2)	90.00	88.08	Not Achieved
	2	Teacher Presence	90.00	96.22	Achieved
	3	Head Teacher Presence	90.00	95.48	Achieved
	4	Availability of boundary wall	98.00	99.76	Achieved

Indicator	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
	5	Availability of drinking Water	95.00	99.45	Achieved
	6	Availability of Furniture	70.00	58.03	Not Achieved
	7	Classrooms observations	80.00	93.55	Achieved
Infrastructure Indicators	8	Safe Building	98.00	98.20	Achieved
	9	NSB Time Lines	90.00	-	
	10	NSB Utilization	90.00	87.22	Not Achieved
	11	Data Health	90.00	86.80	Not Achieved
	12	Sufficiency of Toilets	76.00	75.27	Not Achieved
Retention Indicators	13	Retention (K-2)	97.00	98.97	Achieved
Monitoring and management Indicators	14	School Hygiene	80.00	82.95	Achieved
	15	Partial Facility	1.00	2.84	Achieved
Hot Line Complaints resolution Indicators	16	On Time resolution	48.00	-	

Source: Data received from CEO (DEA)

iii. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- Record of expenditure amounting to Rs 76.134 million was not produced in 01 case.
- Misappropriation / Fraud amounting to Rs 1.163 million was noticed in 01 case.
- Recoveries and overpayment amounting to Rs 23.701 million were pointed out in 08 cases.
- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 218.670 million was observed in 16 cases.
- Value for Money and Service Delivery Issues of Rs 699.119 million was found in 01 case.

iv. Service Delivery Issues

From the Data analysis of DEA Muzaffargarh following service delivery issues were observed:

- Students attendance was targeted 90%, while it could be achieved only 88.08%
- Availability of furniture was targeted 70%, while it could be achieved only 58.03%, student could not avail class room furniture despite provision of huge non-salary budget.
- NSB Utilization was targeted to be 90%, while it could be achieved only 87.22%.
- Data Health was targeted to be 90%, while it could be achieved only 86.80%.
- Sufficiency of Toilet was targeted to be 76%, while it could be achieved only 75.27%.

v. Expectation Analysis and Remedial Measures

District Education Authority:

CEO (DEA) did not achieve its overall targets regarding availability of Student Attendance, furniture, NSB Utilization and Data Health. The management failed in optimal utilization of NSB funds. Furthermore, targets pertaining to NSB Timeline and One Time Resolution were not fixed. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and probity in use of development and non-development funds. Moreover, this can be checked by holding accountable those who are responsible for such irregularities at appropriate forums.
- Shortage of Student Attendance at different levels should be overcome.
- Efforts should be made for timely utilization of NSB Fund.

- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

6.1.1 AUDIT PARAS

6.1.1.1 Unauthorized payments to contractors against development funds without pre-audit - Rs 15.823 million

Observation:

According to rule 16(b) of Punjab District Authorities (Accounts) Rules 2017, the Accountant General Punjab or the District Accounts Officer, as the case may be, shall perform pre-audit on all payments from local fund and public accounts of a District Authority before authorizing the disbursement of amount.

During course of financial attest audit on the accounts of District Account Office Muzaffargarh of District Education Authority for the year 2018-19, it was observed that payment amounting to Rs 15.823 million was made out of cost center “MV8996 CEO Education Development” against various claims of contractors but no pre audit checks were adopted to make the payment and DAO could not observe the above instructions regarding pre audit of claims and payments were made at the disposal of building department.

(Amount in rupees)

Document Date	Document No	Amount
19.06.219	5100070029	992,363
27.06.2019	5100104022	2,559,157
01.05.2019	5100061022	1,868,073
11.06.2019	5100128018	1,797,962
11.06.2019	5100128019	1,618,977
25.06.2019	5100048030	1,411,856
11.06.2019	5100062022	1,280,658
25.06.2019	5100102043	1,229,865
11.06.2019	5100118030	1,013,293
19.06.2019	5100070030	1,011,090
27.06.2019	5100121021	522,744
25.06.2019	5100048031	516,564
Total		15,822,602

Implications

- Weak control on the part of concerned department payments were made without pre-audit.

Management response

It is submitted that sanction and verification of DDO Cost Center has been checked by this office. However, this office has written letter vide DAO/MZG/TRY/ 414 dated: 14/10/2019 to provide supportive documents of every claim in order to avoid inconvenience. This office ensures accuracy of claim and thoroughly checks every claim submitted by the DDO.

The claim has been properly signed by the competent authority with official stamp and accompanied with Measurement book. However, this office has written letter DAO/MZG/TRY/ 414 dated: 14/10/2019 to provide the stock register etc.

Recommendations

We recommend probing the matter besides regularization.

Chapter 2

DEA, Muzaffargarh

6.2.1 Introduction:

District Education Authority, Muzaffargarh was established on 01.01.2017 under Punjab Local Government Act 2013. DEA, Muzaffargarh is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

CEO is the Principal Accounting Officer of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the DEA Group of Offices is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

DEA Muzaffargarh manages following educational facilities and institutes:

Description	No. of office / schools
Primary Schools	1321
Middle Schools	220
High Schools	136
Higher Secondary Schools	14
Dy. DEO (EE-M)	04
Dy. DEO (EE-W)	04
DEO (Elementary Education)	01
DEO (Secondary Education)	01
CEO (District Education Authority)	01

The detail of Audit jurisdiction in respect of District Education Authority Muzaffargarh is given below:

(Rupees in million)

Sr. No.	Description	Total No.	Audited	Expenditure audited F.Y. 2018-19	Revenue /Receipts audited F.Y. 2018-19
1	Formations	172	08	5,124.638	9.144
2	Assignment Accounts	-	-	-	-

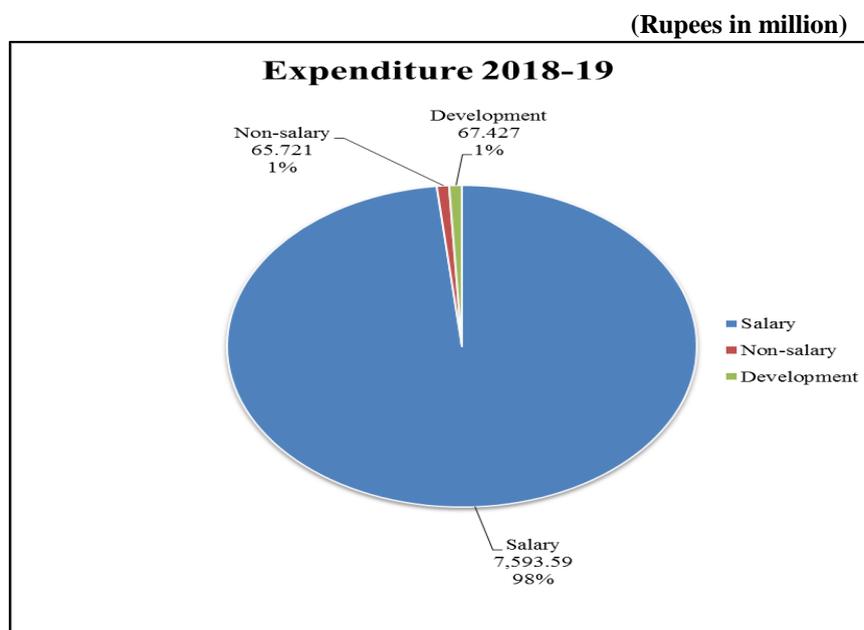
Sr. No.	Description	Total No.	Audited	Expenditure audited F.Y. 2018-19	Revenue /Receipts audited F.Y. 2018-19
	(Excluding FAP)				
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

6.2.2 Comments on Budget and Accounts

The detail of budget and expenditure is given below in tabulated form:

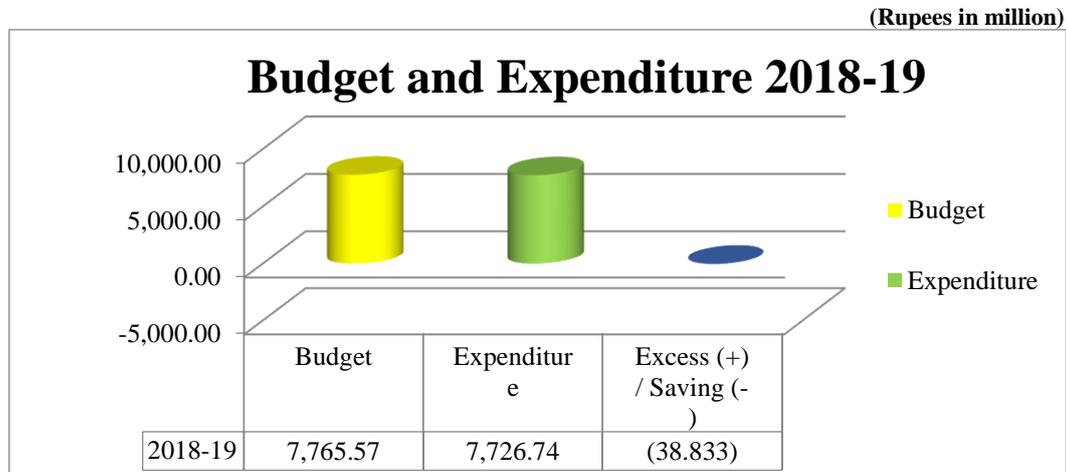
(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	7,597.768	7,593.592	(4.176)	(0)
Non-Salary	66.165	65.721	(0.444)	(1)
Development	101.640	67.427	(34.213)	(34)
Total	7,765.573	7,726.740	(38.833)	(1)



As per the Appropriation Accounts 2018-19 of the District Education Authority, Muzaffargarh, total original budget (Development and Non-

Development) was Rs 7,597.768 million. Against the budget, total expenditure of Rs 7,593.592 million was incurred by the District Education Authority during 2017-18. Lapse of funds amounting to Rs 4.176 million came to the notice of audit due to inefficient financial management in release of budget by Deputy Director (Finance). No plausible explanation was provided by PAO and management of the District Education Authority Dera Ghazi Khan. (Annexure-B)



Due to inefficient financial management in release of budget by Deputy Director (Finance), major portion of funds lapsed as detailed below:

An amount of Rs 34.213 million (34 per cent) remained unutilized under Grant 36 “Development” due to less development activities.

6.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 1,061.496 million were raised as a result of this audit. This amount also includes recoverables of Rs 65.038 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount
1	Non-production of record	76.134
2	Reported cases of fraud, embezzlement and	1.162

Sr. No.	Classification	Amount
	misappropriation	
3	Irregularities	0
A	HR / Employees related irregularities	96.425
B	Procurement related irregularities	822.339
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	65.436
5	Others	0
Total		1,061.496

6.2.4 Comments on the Status of Compliance with PAC Directives

The Audit Report pertaining to the following years was submitted to the Governor of the Punjab but has not been presented to the Public Accounts Committee.

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	11	PAC not constituted
2	2018-19	27	PAC not constituted

6.2.5 Audit Paras

6.2.5.1 Non-Production of Record

6.2.5.1.1 Non-production of record – Rs 76.134 million

According to Clause 14 (1) (a) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for keeping of initial and subsidiary accounts.

The following DDOs incurred expenditure of Rs 76.134 million during 2018-19, but vouched accounts of the expenditure of procurement, contingencies, civil works and pay & allowances were not produced for audit verification.

(Rupees in million)

Sr. No.	DDOs	Nature of Record	Amount
1	CEO (DEA)	Civil work	18.392
2	Dy.DEO (EE-M) Jatoi	NSB Record	2.000
3	Dy.DEO (EE-W)	Inspection allowance	5.794
4	Muzaffargarh	NSB Record	6.800
5	Dy.DEO (EE-M) Kot Addu	Inspection allowance	7.399
6		Pay & allowances	5.348
7	Dy.DEO (EE-M)		19.101
8	Muzaffargarh	Vouched account	11.300
Total			76.134

Audit is of the view that due to weak financial management, the record was not produced for audit verification.

Non-production of record created doubt regarding legitimacy of the expenditure of Rs 76.134 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that all the record was

available. The reply was not tenable because no record was produced for verification.

DAC directed the DDOs to produce the record without further delay. No progress was intimated to Audit till finalization of this report.

Audit recommends to inquire the matter, fix responsibility and disciplinary action against the person(s) at fault for non-production of record and to ensure that the record is produced to Audit for scrutiny.

[AIR Paras:17,21,15,26,12,23,18,27]

6.2.5.2 Fraud / Misappropriation

6.2.5.2.1 Misappropriation of NSB funds - Rs 1.163 million

According to Rule 2.33 of PFR Vol-I, every Government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the government through fraud or negligence on his part.

Heads of 62 schools under the administrative control of Dy. DEO (EE-M) Jatoi, incurred an expenditure of Rs 1.163 million during 2018-19 on account of payment of income tax and GST. The payments were made to suppliers on account of taxes which were pointed out by audit during 2017-18. Instead of recovering the tax from suppliers, new cheques were drawn out of NSB funds which resulted in misappropriation.

Audit is of the view that due to weak financial management, funds were misappropriated.

Misappropriation of NSB funds resulted in loss to the Government amounting to Rs 1.163 million.

The matter was reported to the CEO and DDO concerned in September, 2019. In DAC meeting held on 18.12.2019, DDO replied that inquiry against the school heads is in process.

DAC directed the Dy. Director (F&B) to inquire the matter and report accordingly. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry, fixing responsibility on the person(s) at fault besides recovery of Rs 1.162 million.

[AIR Para:19]

6.2.5.3 Irregularities

6.2.5.3.1 Unjustified transfer of funds to school - Rs 65.436 million

According to Rule 93(d) of the Punjab Local Government Act 2013, a District Education Authority shall ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education.

The following DDOs transferred NSB funds amounting to Rs 65.436 million to schools for construction work during 2018-19. But after the lapse of considerable time of one year, work was not started. DDO did not provide any structure, original/revised estimates and technical sanctioned to the concerned head teacher of the schools and also having no technical staff for construction of rooms. The detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) Muzaffargarh	11.504
2	Dy. DEO (EE-M) Muzaffargarh	53.932
Total		65.436

Audit is of the view that due to weak financial management, heavy amount was transferred to the schools without availability of technical staff.

Non availability of technical staff, class rooms could not be constructed and funds for Rs 65.436 million remained blocked.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that school heads have been directed to utilize the fund at earliest. The reply was not tenable because no valid justification was offered for blockage of funds.

DAC directed the DDOs to remove the obstacles in utilization of funds and ensure its utilization without further delay. No progress was intimated to Audit till finalization of this report.

Audit recommends enquiry and fixing responsibility on the person(s) at fault for blockade of Government funds besides getting the amounts refunded from the schools and further utilization through Account V.

[AIR Paras:17,19]

6.2.5.3.2 Unauthorized payments without Pre-Audit Rs 29.381 million

According to Rule 16(b) of Punjab District Authorities (Accounts) Rules 2017, the Accountant General Punjab or the District Accounts Officer, as the case may be, shall perform pre-audit on all payments from local fund and public accounts of a District Authority before authorizing the disbursement of amount.

CEO (DEA) made payment of Rs 29.381 million during 2018-19 on account of civil works to the contractors without pre-audit. Vouchers were neither sanctioned by the CEO nor MB and other documents relating to payments were verified by the CEO being the DDO of said cost center.

Audit is of the view that due weak financial management, payment was made without pre-audit of expenditure.

Insurance of expenditure without pre-audit resulted in unauthorized utilization of funds of Rs 29.381 million.

The matter was reported to the CEO in September, 2019. In DAC meeting held on 18.12.2019, CEO replied that expenditure was incurred after pre-audit of Divisional Accounts Officer. The reply was not tenable because Divisional Accounts Officer is not authorized to pre-audit the expenditure of account-V.

DAC directed the CEO to get the expenditure regularized from competent authority. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry, fixing responsibility on the person(s) at fault besides regularization of the expenditure.

[AIR Para:1]

6.2.5.3.3 Unjustified expenditure out of SMC / NSB fund – Rs 22.399 million

According to the Government of Punjab (PESRP) notification No.SO(S-III)2-12/2006 dated 06.08.2007, School Council Policy 2007 as amended up to 2013, all expenditure shall be incurred with prior approval of the school council and all purchases/ execution of work shall be carried out in a transparent and economical manner.

The following DDOs incurred an amount of Rs 22.399 million during 2018-19 out of NSB / SMC budget / funds. Scrutiny of the relevant record revealed that the expenditure was incurred without having proof of actual work done, stock entry, approval of valid school management council and proof of consumption of stores. Furthermore, the work done was never inspected and verified by the education authorities. In most cases cash payment was made instead of crossed cheque. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-M) Jatoi	Repair and Maintenance	9.470
2	Dy. DEO (EE-W) Alipur	Uniform, LED etc.	0.780
3	Dy. DEO (EE-M) Alipur	Repair and Maintenance	3.315
4	Dy. DEO (EE-W) Kot Addu		0.905
5	Dy. DEO (EE-W) Muzaffargarh	Uniform, Bag	0.195
6		Repair and Maintenance	2.035
7	Dy. DEO (EE-M) Kot Addu	Repair and Maintenance, store items	1.436
8	Dy. DEO (EE-M) Muzaffargarh	Repair and Maintenance	4.263
Total			22.399

Audit is of the view that due to weak financial management, expenditure was incurred without observing codal formalities.

Non-observance of codal formalities resulted in unjustified expenditure of Rs 22.399 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that all the codal

formalities were observed while making the expenditure. The reply was not tenable because the formalities as point out were not observed.

DAC directed the DDOs to produce the record without further delay. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the expenditure from the competent authority.

[AIR Paras:18,15,20,24,25,17,26]

6.2.5.3.4 Unauthorized transfer of funds to schools through open cheque - Rs 21.665 million

According to Rule 4(b) of Punjab District Authorities (Accounts) Rules 2017, the mode of making payments from local fund of District Authority shall be that payments exceeding rupees one thousand shall be made through crossed nonnegotiable cheque.

Deputy District Education Officer (EE-M) Jatoi issued 15 open cheques amounting to Rs 21.665 million during 2018-19 in favour of private banks with advice for transfer of payments into various schools accounts instead of issuing cheques to NBP with advice to transfer the amount in respective accounts. Other banks draw cash from the DDO account and then transferred the amount into various schools account. Issuance of open cheques to other banks was unauthorized as well as risk of misappropriation of Government funds.

Audit is of the view that due to weak financial management, open cheques were issued for transfer of payment.

Issuance of open cheque resulted in unauthorized transfer of funds amounting to Rs 21.665 million.

The matter was reported to the CEO and DDO concerned in September, 2019. In DAC meeting held on 18.12.2019, DDO replied that facilitate the schools, open cheques were issued. The reply was not tenable because there was no provision of rules for transferring the funds through open cheques.

DAC directed the DDO to get the matter regularized the matter from competent authority. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of expenditure.

[AIR Para:24]

6.2.5.3.5 Irregular payments against arrears of pay and allowances - Rs 19.085 million

According to Rule 2.27 of PFR Vol-I, no payment for arrears of pay & allowances be made until additional Budget & the sanction have been accorded.

Deputy District Education Officer (W-EE) Muzaffargarh, made a payment of Rs 19.085 million against arrear of pay and allowance without additional budget. Furthermore, the vouched account was also not produced to audit for verification.

Audit is of the view that due to weak financial management, arrear of pay and allowances were made without additional budget.

The payment of arrear of pay and allowance resulted in irregular expenditure of Rs 19.085 million.

The matter was reported to the CEO and DDO concerned in September, 2019. In DAC meeting held on 18.12.2019, DDO replied that all the expenditure was within the budget allocation. The reply was not no additional budget was provided.

DAC directed the DDO to get the expenditure regularized. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault besides the expenditure be got regularized.

[AIR Para:16]

6.2.5.3.6 Rush of expenditure at the close of financial year - Rs 18.439 million

According to Para 4.59 of B&R Code, expenditure during June be so regulated that it will on no account double the average expenditure for the previous eleven months of the year.

CEO (DEA) incurred an expenditure of Rs 29.381 million for development schemes during 2018-19. Scrutiny of expenditure revealed that an amount Rs 23.029 million was incurred in the month of June 2019 i.e 78.38% of whole expenditure. This indicate that huge expenditure Rs 18.439 million (23.781-5.342) was excess incurred/booked in the month of June against the permissible limit of 5.342 million ($29.381/11 = 2.671 \times 2$) of the total expenditure. It depict that amount were drawn just to utilize the budgetary grant, which was against the financial rules and the spirit of the proper execution of plan.

(Amount in rupees)

Fund Center	Detail Object Description	Actual Expenditure	June Expenditure
MV8996	A12470-OTHER	29,380,872	23,028,722

Audit is of the view that due to weak financial management, expenditure beyond permissible limit was incurred in month of June.

Payments in excess of permissible limit resulted in violation of financial rules.

The matter was reported to the CEO in September, 2019. In DAC meeting held on 18.12.2019, CEO replied the funds were released on the basis of receipts from the Government of Punjab and claims submitted by the contractors. The reply was not tenable because the funds were received on quarterly basis .

DAC directed the CEO to get the expenditure regularized. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the expenditure from the competent authority.

[AIR Para:14]

6.2.5.3.7 Irregular payments in cash - Rs 12.699 million

According to Rule 4(1)(b) of Punjab District Authorities (Accounts) Rules 2017, the payment exceeding rupees one thousand shall be made through crossed non- negotiable cheque.

The following DDOs made payments of Rs 12.699 million during 2018-19 to various contractors and suppliers on account of contingent expenditure in cash instead of crossed cheques. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy.DEO (EE-M) Jatoi	Payment to supplier	8.587
2	Dy.DEO (EE-W) Alipur		2.117
3			0.513
4	Dy.DEO (EE-M) Alipur		0.300
5	Dy.DEO (EE-W) Kot Addu		0.882
6	Dy.DEO (EE-M) Kot Addu		0.300
Total			12.699

Audit is of the view that due to weak financial management, payment to supplier was made in cash.

Cash payments made to contractors / employees resulted in irregular payments of Rs 12.699 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that payments were made to the suppliers due to non having bank accounts. The reply was not tenable because cash payment is not allowed.

DAC directed the DDOs to get the expenditure regularized from competent authority. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person (s) at fault besides regularization of the expenditure from the competent authority.

[AIR Paras:17,14,21,19,20,20]

6.2.5.3.8 Execution of RCC work without quality test - Rs 9.111 million

According to additional Clause 60,64,66 of contract agreement, samples of steel to be used in reinforcement cement concrete work shall be got tested. Testing of concrete to ensure that specified strength as per specification or as desired by engineer in charge is being achieved. Reinforcement steel should be of intermediate grade deformed bars with yield stress not less than 40000 LBS per square inch. This shall be supplied by MS PECO Lahore, M/S Abdul Qayum, Itifaq Industries. Receipt for the purchase from such supplier be enclosed with bill.

CEO (DEA) paid an amount of Rs 9.111 million to contractors on account of 14 development schemes of construction of boundary walls, reconstruction dangerous buildings and provision of missing facilities during 2018-19. Scrutiny of the relevant record reveal that neither the lab test of Reinforcement, Concrete was available on the record nor bill was supported with prescribed suppliers as mentioned in above rule.

Audit is of the view that due to weak financial management, payments were made without observing codal formalities.

Non-observance of rules resulted in unjustified expenditure of Rs 9.111 million.

The matter was reported to the CEO in September, 2019. In DAC meeting held on 18.12.2019, CEO replied that payments were made on the certificate of XEN(Buildings). The reply was not tenable because the test report from the lab was not available.

DAC directed the CEO to get the expenditure regularized from competent authority. No progress was intimated to Audit till finalization of this report.

Audit recommends that documentary proof of lab test / invoices may be provided to prove the RCC work as per rules otherwise matter may be investigated for fixing responsibility on the person(s) at fault.

[AIR Para:19]

6.2.5.3.9 Non-deduction of Government taxes at source - Rs 7.427 million

According to Section 153(1) and 1(c) of Income Tax Ordinance, 2001, every prescribed person, while making a payment in full or part, shall deduct tax at the specified rate from the gross amount payable. Furthermore, according to Clause 1.3 of Sales Tax Special Procedure (Withholding) Rules, 2007, withholding agents are required to deduct an amount equal to 1/5th (20 percent) of the total Sales Tax. Moreover, according to Rule 5 of Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent shall deduct Sales Tax at the applicable rate of the value of taxable services provided to him from the payment due to the service provider.

The following DDOs made payments against supply of goods, rendering services and execution of contracts etc. during 2018-19. However, an amount of Rs 7.427 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not/less deducted from the payments. The detail is given below:

(Rupees in million)				
Sr. No.	DDOs	Income Tax	Sales Tax	Amount
1	Dy.DEO (EE-M) Jatoi	0.194	0.732	0.926
2	Dy.DEO (EE-W) Alipur	0.090	0	0.090
3	Dy.DEO (EE-M) Alipur	0.184	0.695	0.879
4	Dy.DEO (EE-W) Kot Addu	0.113	0.427	0.54
5	Dy.DEO (EE-M) Kot Addu	0	0.389	0.389
6	Dy.DEO (EE-M) Muzaffargarh	0	4.603	4.603
Total				7.427

Audit is of the view that due weak financial management, Government taxes were not deducted at source.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 7.427 million to the suppliers/service providers/contractors concerned.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that the suppliers had been requested to provide the proof of deposit of tax.

DAC directed the DDOs to get the taxes deposited without any delay. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of Rs 7.427 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:19,16, 21,22,19,21,22,24]

6.2.5.3.10 Incurrence of expenditure without advertisement - Rs 5.923 million

According to Rule 9 of Punjab Procurement Rules 2014, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

The following DDOs incurred an expenditure of Rs 5.923 million for purchase of various items without advertisement on PPRA website and by splitting up the bills. The detail is given below:

(Rupees in million)			
Sr. No.	DDOs	Description	Amount
1	Dy.DEO (EE-M) Jatoi	Stationery, general store item	0.290
2	Dy.DEO (EE-M) Muzaffargarh	Stationery	0.200
3		Furniture	5.433
Total			5.923

Audit is of the view that due to weak financial management, expenditure was incurred without advertisement.

Incurrence of expenditure without advertisement resulted in unauthorized expenditure of Rs 5.923 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that the expenditure

was not incurred in bulk. The reply was not tenable because the annual proposed procurement was required to advertisement.

DAC directed the DDOs to get the expenditure regularized from competent authority. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) concerned besides regularization of the expenditure.

[AIR Paras:22,20,25]

6.2.5.3.11 Irregular payment of inspection allowance - Rs 3.497 million

According to the Government of the Punjab, School Education Department notification No.SO(ADP) MISC-409/2012 dated 29.08.2012, the inspection allowance @ Rs 5000/month shall be payable to the AEOs on the basis of at least 50 inspection of schools in a month and in case of less than 50 schools inspection ,it shall be claimed @Rs 100 per school inspection.

The following DDOs paid an amount of Rs 3.497 million on account of inspection allowance to AEOs during 2018-19. The said allowance was paid to AEOs during induction training, summer vacations and to those AEOs who were working in the office as Headquarter AEOs.

(Rupees in million)				
Sr. No.	DDOs	Period	No. of Employees	Amount
1	Dy.DEO (EE-M) Jatoi	2018-19	2	0.150
2			10	0.055
3	Dy.DEO (EE-W) ALipur		1	0.080
4			10	0.066
5	Dy. DEO (EE-W) Muzaffargarh		1	0.066
6	Dy. DEO (EE-M) Muzaffargarh		2	0.150
7			27	2.930
Total				3.497

Audit is of the view that due to weak financial management, inadmissible inspection allowance was paid.

Payment of inadmissible inspection allowance resulted in loss to the Government of Rs 3.497 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that concerned employees had been directed to deposit the overpayment.

DAC directed the DDOs to expedite the recovery. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of the overpaid amount Rs 3.497 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:7,12,2,8,315,6]

6.2.5.3.12 Unauthorized payment of SSB after regularization of services - Rs 3.430 million

According to Government of the Punjab, School Education Department Lahor, Notification No. SO(SE-III) 2-16/2007(P-V) dated 07.08.2015, the Educators already appointed on contract basis under the provision of contract policy are regularized w.e.f 07.08.2015 and their pay was to be fixed at the initial of the respective pay scale and services period of contract shall not be counted for any purpose Pension, gratuity, leave, etc). these appointees shall not be entitled to the payment of 30% SSB.

The following DDOs allowed and paid an amount of Rs 3.430 million during 2018-19 on account of social security benefit to those whose services were regularized. The detail is given below:

(Rupees in million)			
Sr. No	DDOs	No. of employees	Amount
1	Dy. DEO (EE-M) Jatoi	7	0.315
2	Dy. DEO (EE-W) Alipur	8	0.332
3	Dy. DEO (EE-M) ALipur	10	0.466
5	Dy. DEO (EE-W) Muzaffargarh	7	0.232
6		64	0.048
7	Dy. DEO (EE-M) Kot addu	6	0.325

Sr. No	DDOs	No. of employees	Amount
8	Dy. DEO (EE-M) Muzaffargarh	1	0.068
9		39	1.644
Total		144	3.430

Audit is of the view that due to weak financial management, inadmissible social security benefit was paid to permanent employees.

Payment of inadmissible social security benefit to permanent employees resulted in overpayment of Rs 3.430 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that concerned employees had been directed to deposit the overpayment.

DAC directed the DDOs to expedite the recovery. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of Rs 3.430 million besides discontinuation of said allowance.

[AIR Paras:9,4,13,10,11,2,12,17]

6.2.5.3.13 Non-maintenance of record of security deposits – Rs 2.939 million

According to Rule 100(3) of the Punjab Local Government Act, 2013, every local government shall maintain a Public Account to place all revenues received by the local government from the receipt accruing from trusts administered are managed by the local government, refundable deposits received by the local government and deferred liabilities.

CEO (DEA) obtained an amount of Rs 2.939 million on account of security deposit from contractors during 2018-19. But security deposit register, which contains information regarding receipt and return of securities to the contractors, was not maintained by the department.

Audit is of the view that due to weak financial management, security deposit register was not maintained by the department.

Non-maintenance of security deposit register, there is chances of misappropriation.

The matter was reported to the CEO in September, 2019. In DAC meeting held on 18.12.2019, CEO replied that concerned record would be provided in next DAC meeting.

DAC directed the CEO to provide the record without further delay. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault besides maintenance of proper record of security deposits.

[AIR Para:11]

6.2.5.3.14 Unauthorized withdrawal on account of construction work - Rs 2.850 million

According to Rule 16.2 of the PFR Vol-I, a constructional work, the estimated cost of which is to exceed Rs.10,000 should not be entrusted for execution to outside firms or contractors by Departments other than the Public Works Department without previously consulting the Finance Department. As per Para 54 to 58 of CPWD Code read with Para 209 of CPWA Code, no work should be commenced or liability incurred without administrative approval and technical sanction estimate.

Head teachers of schools under the administrative control of following DDOs withdrew an amount of Rs 2.850 million out of NSB fund on construction works for schools without execution of work and engagement of civil works department. Neither Administrative approval nor technical sanction estimate was on record and no work was executed to the date of audit as no measurement book was maintained. The detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Dy. DEO (EE-W) Muzaffargarh	1.205
2	Dy. DEO (EE-M) Muzaffargarh	1.645
Total		2.850

Audit is of the view that due to weak financial management, funds were withdrawn without execution of work.

Withdrawal of funds without proof of execution of work resulted in unauthorized expenditure of Rs 2.850 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that the construction was carried out through school council. The reply was not tenable because the work was beyond the competency of school council.

DAC directed the DDOs to get the expenditure regularized. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides provision of record for execution of work.

[AIR Paras:20,23]

6.2.5.3.15 Overpayment on account of qualification allowance - Rs 2.648 million

According to the Government of the Punjab Education Department (Schools wing) Lahore, notification No.SO9S-III)-2-16/2007, dated 24.09.2007, qualification allowance will not be admissible to the teachers who are already in receipt of any kind of benefit of higher qualification either in shape of advance increments or higher pay scale. Furthermore, according to instructions contained in clarification issued by Accountant General Punjab, vide his letter No.TM-1/2-3(A)IV/2008-09/479 dated 17.11.2008, the qualification allowance on account of possessing/acquiring higher qualification is not admissible to Secondary School Educators(SSE), Senior Elementary School Educators (SESE) and Elementary School Educators (ESE).

The following DDOs paid qualification allowance of Rs 2.648 million during 2018-19 to ESE, SESE and SSE. Furthermore, some teachers were paid qualification allowances who were already in receipt of any kind of benefit of higher qualification either in shape of advance increments or higher pay scale. The detail is as below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-M) Jatoi	Qualification Allowance	1.258
2	Dy. DEO (EE-W) Kot Addu		1.390
Total			2.648

Audit is of the view that due to weak financial management, inadmissible qualification allowance was paid.

The payment of inadmissible qualification allowances resulted in overpayment of Rs 2.648 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that concerned employees had been directed to deposit the overpayment.

DAC directed the DDOs to expedite the recovery. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of Rs 2.648 million.

[AIR Paras:6,12,]

6.2.5.3.16 Unauthorized payment of pay & allowances and non-recovery of fine - Rs 2.049 million

According to Rule 14 (d) of the Punjab District Authorities (Accounts) Rules 2017, the primary obligation of the Collecting Officers shall be to collect receipts in the transparent manners and guard against misappropriation, fraud, embezzlement or compromise.

The following DDOs did not recover the overpayment on account of salaries and fines amounting to Rs 2.049 million during 2018-19 from the teachers who were absent, resigned or wrongly paid. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description of Receipts	Amount
1	Dy. DEO (EE-M) Alipur	Pay during absent from duty	0.048
2		CA during LFP	0.026
3	Dy. DEO (EE-M) Kot Addu	Pay after termination of contract	0.064
4		CA during LFP	0.021
5		Salary during EOL	0.157
6		Personal Allowance	0.037
7	Dy. DEO (EE-M) Muzaffargarh	Pay and allowances	0.694
8		Qualification Allowance	0.046
9		CA during LFP	0.216
10		Fine/penalty	0.108
11	Dy. DEO (EE-W) Muzaffargarh	Salary during EOL	0.045
12		CA during LFP	0.517
13	Dy. DEO (EE-M) Jatoi		0.070
Total			2.049

Audit is of the view that due to weak financial management, the overpayment was not recovered from the concerned.

Non-recovery of overpayment resulted in loss to the Government for Rs 2.049 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that concerned employees had been directed to deposit the overpayment.

DAC directed the DDOs to expedite the recovery. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of Rs 2.049 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:3,7,3,8,13,19,1,3,7,11,5,6,2]

6.2.5.3.17 Non-recovery of penalty due to delay in completion of development schemes - Rs 2.040 million

According to Clause 39 of the Contract Agreement, the time limit for carrying out the work as entered in the tender shall be strictly observed by the contractor. The contractor shall pay as compensation an amount equal to one percent of the amount of contract subject to a maximum of 10 percent or such smaller amount as the Engineer-in-Charge may decide, for every day that the work remains un-commenced or unfinished after the proper date.

Chief Executive Officer (DEA) paid an amount of Rs 20.398 million to various contractors for execution of 9 development schemes for construction/up-gradation of school buildings. Scrutiny of record revealed that contractors could not complete the works during contract period. Further, executing agency was not imposed penalty @ 10% amounting to Rs 2.040 million for unnecessary delay in completion period.

Audit is of the view that due to weak financial management, penalty was not imposed due to delay in completion of schemes.

Non-completion of development schemes and non-recovery of penalty amounting to Rs 2.040 million resulted in deprival of envisaged benefits and loss to the Government.

The matter was reported to the CEO in September, 2019. In DAC meeting held on 18.12.2019, CEO replied that concerned contractors had been directed to deposit the overpayment.

DAC directed the CEO to expedite the recovery. No progress was intimated to Audit till finalization of this report.

Audit recommends that penalty may be imposed on contractor without further delay besides fixing responsibility on the officer/ official concerned for non-observing the time schedule.

[AIR Para: 20]

6.2.5.3.18 Unjustified payment of salaries without verification of degrees - Rs 1.971 million

According to Education Department Letter No. 2751/ADMN dated 27.04.12, DDO shall be responsible for the verification of academic/professional degrees / documents before the issuing of pay and send copy to the EDO.

The following DDOs paid an amount of Rs 1.971 million on account of pay and allowance during 2018-19. Scrutiny of record revealed that the verification of degrees academic record was not obtained from the concerned Board / University. Without verification of degree/academic record the payment of salaries was unjustified.

(Rupees in million)			
Sr. No.	DDOS	No. of Employees	Amount
1	Dy.DEO (EE-W) Alipur	27	0.424
2	Dy.DEO (EE-M) Jatoi	19	0.320
3	Dy.DEO (EE-M) Alipur	20	0.332
4	Dy.DEO (EE-W) Kot Addu	58	0.895
Total			1.971

Audit is of the view that due to weak financial management, pay and allowances were paid without verification of degree.

Payment of pay and allowances without verification of degree resulted in unjustified payment of Rs 1.971 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that the process of verification of degrees was in process.

DAC directed the DDOs to expedite the process. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault besides verification of degrees.

[AIR Paras:12,15,16,18]

6.2.5.3.19 Doubtful expenditure due to non-accountal of store – Rs 1.903 million

According to Rule 2.33 of PFR Vol-I, every Government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the government through fraud or negligence on his part.

The heads of 50 schools under the administrative control of Dy. DEO (EE-W) Muzaffargarh withdrew an amount of Rs 1.903 million during 2018-19 for purchase of furniture, stationery etc. but the relevant stock /assets register was not produced, without which the authenticity of expenditure could not be ascertained.

Audit is of the view that due to weak financial management, the purchased items were not accounted for in the relevant stock register.

Purchases without accountal of stores resulted in unauthorized expenditure of Rs 1.903 million.

The matter was reported to the CEO and DDO concerned in September, 2019. In DAC meeting held on 18.12.2019, DDO replied that concerned school heads had been directed to provide the record.

DAC directed the DDO inquire the matter and submit report. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the expenditure from the competent authority.

[AIR Para:22]

6.2.5.3.20 Loss due to non-reduction of bricks rate - Rs 1.762 million

According to Sr. No.5 and 7, chapter 7 of the Market Rate System (MRS) issued from the Government of Punjab Finance Department, the composite rate is to be reduced by 7% and 14%, if 2nd or 3rd class bricks are used.

CEO (DEA) made payment against brick work for construction of various schools during 2018-19. However, neither the amount was reduced by Rs 1.762

million (14%) nor lab test of bricks from prominent laboratory for assessing the 1st, 2nd or 3rd class bricks was available.

Audit is of the view that due to weak financial management, payments to the contractor were made without reducing bricks rate.

Non-reduction of bricks rate resulted in loss of Rs 1.762 million to the Government exchequer.

The matter was reported to the CEO in September, 2019. In DAC meeting held on 18.12.2019, CEO replied that concerned contractors had been directed to provide the test report.

DAC directed the CEO inquire the matter and take the action accordingly. No progress was intimated to Audit till finalization of this report.

Audit recommends that the documentary proof of lab test may be provided to prove the utilization of 1st class bricks otherwise recovery of Rs 1.762 million may be made from the contractors.

[AIR Para:6]

6.2.5.3.21 Unauthorized purchase of furniture - Rs 1.709 million

According to Rule 9 of Punjab Procurement Rules 2009, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised on PPRA website in case of over one hundred thousand rupees to 2 million rupees. Furthermore as per Rule 2.33 of PFR Vol-I, every government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the government through fraud or negligence on his part.

The heads of 16 schools under the administrative control of Dy. DEO (EE-W) Muzaffargarh withdrew an amount of Rs 1.709 million for purchase of furniture during 2018-19. The expenditure was incurred without advertisement.

The bills were split to avoid the tendering process. No specification of the furniture was given to verify the quality.

Audit is of the view that due to weak financial management, furniture was purchased without observing codal formalities.

Non observance of codal formalities resulted in unauthorized expenditure of Rs 1.709 million.

The matter was reported to the CEO and DDO concerned in September, 2019. In DAC meeting held on 18.12.2019, DDO replied that concerned the expenditure was incurred through school council. The reply was not tenable because procurement rules were not observed.

DAC directed the DDO to get the expenditure regularized from competent authority. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the expenditure.

[AIR Para:23]

6.2.5.3.22 Payment of inadmissible allowances - Rs 1.538 million

According to Rule 9(b) of the Punjab District Authorities (Accounts) Rules 2017, the DDO and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

The following DDOs allowed payment of charge allowance, integrated allowance, personal allowance, science teaching allowance and inadmissible allowances amounting to Rs 1.538 million during 2018-19.

(Rupees in million)

Sr. No.	DDOs	Nature of withdrawal	Amount
1	Dy. DEO (EE-M) Jatoi	Science teaching allowance	0.072
2	Dy. DEO (EE-W) Alipur	Inadmissible Allowances	0.019
3	Dy. DEO (EE-W) Muzaffargarh	Personal allowance	0.094
4	Dy. DEO (EE-M) Kot Addu	Inadmissible Allowance	0.882

Sr. No.	DDOs	Nature of withdrawal	Amount
5			0.042
6		Charge allowance to AEO	0.014
7	Dy. DEO (EE-M) Muzaffargarh	Charge allowance	0.369
8		Inadmissible Allowance	0.046
Total			1.538

Audit is of the view that due to weak financial management, payment of inadmissible allowances was made.

Payment of inadmissible allowances resulted in loss to the Government of Rs 1.538 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that concerned employees had been directed to deposit the overpayment.

DAC directed the DDOs to expedite the recovery. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of Rs 1.538 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:3,9,13,15,16,4,6,13]

6.2.5.3.23 Overpayment due to non-fixation of pay and allowances – Rs 1.350 million

According to Government of the Punjab, Service and General Administration Department Notification No. DS(O&M) 5-3/2004/contract (MF) 10.11.2010, upon regularization of services of employees working on contract basis in various department, the pay is to be fixed at the initial of the respective pay scale and services period of contract shall not be counted for any purpose pension, gratuity, leave, etc.

The following DDOs regularized the services of teachers / employees. However their pay and allowances was not re-fixed to initial stages after

regularization and amounting to Rs 1.350 million was overpaid during 2018-19. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Number of Employees	Amount
1	Dy. DEO (EE-M) Jatoi	Pay	35	0.132
2		Adhoc Allowance	32	0.099
3		Pay	2	0.109
4	Dy. DEO (EE-W) Alipur	Pay	3	0.117
5	Dy. DEO (EE-M) Alipur	Pay	2	0.031
6			20	0.053
7		Ad hoc allowances	20	0.042
8	Dy. DEO (EE-M) Kot Addu	Ahoc allowances	53	0.767
Total				1.350

Audit is of the view that due to weak financial management, the basic pay and allowances of the employees was not re-fixed after regularization of services.

Non-fixation of pay resulted in overpayment of Rs 1.350 million.

The matter was reported to the CEO and DDOs concerned in September, 2019. In DAC meeting held on 18.12.2019, DDOs replied that concerned employees had been directed to deposit the overpayment.

DAC directed the DDOs to expedite the recovery. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of Rs 1.350 million.

[AIR Paras:4,5,10,7,5,9,10,1]

6.2.5.3.24 Non-obtaining of additional performance security - Rs 1.120 million

According to Government of the Punjab, Finance Department letter No. RO(Tech)FD 1-2/83 VI (P) dated 24th January, 2006 the contractor shall deposit additional performance security as subsequent %age below the estimated cost.

CEO (DEA) awarded the contracts of development schemes below estimated cost but additional performance security of Rs 1.120 million during 2018-19 was not obtained. The detail is given below:

(Amount in rupees)

MB No.	Scheme	Contractor	Amount	% Below	Total
305/1960	Provision of missing facilities in GES Mohal Khushak	M/S Fayyaz Ahmad	1,311,789	14.6	191,521
73/73	Re-const. of dangerous buildings, 3 Nos. class rooms at GMMS chak No. 646/TDA	M/S Malik Tariq Aziz	1,974,404	21.95	433,382
258/533	Const. of building for shelterless school GGPS Liaqat abad, Ali Pur	Malik Muhammad Ehsan	2,659,497	13.55	360,362
256/531	Re-const. of 2 Nos. class rooms with verandah GBPS Lal chajra, Ali Pur	Nazar Abbas Bhatti	962,943	14	134,812
Total					1,120,077

Audit is of the view that due to weak financial management, contract was awarded below estimated cost without obtaining additional performance security.

Non-obtaining of additional performance security put the completion of schemes at risk.

The matter was reported to the CEO in September, 2019. In DAC meeting held on 18.12.2019, CEO replied that matter has been taken up with the XEN (Buildings) and reply would be submitted at the time of next DAC meeting.

DAC directed the CEO to get the matter regularized from competent authority. No progress was intimated to Audit till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the matter.

[AIR Para:15]

6.2.5.4 Value for Money and Service Delivery Issues

6.2.5.4.1 Un-justified budget allocation resulted unspent balances of - Rs 699.119 million

According to Rule 4(1)(e) & (i) of the Punjab District Authorities (Budget) Rules 2017, the Chief Executive Officer shall act as Principal Accounting Officer of the Authority and shall regularly monitor budget execution, and shall ensure the utilization of funds in the public interest and on specific objects.

CEO (DEA) allocated budget to various DDOs under major object A-03, A04, A-05, A-06, A-09 and A-13 during the financial year 2018-19. Analysis of budget allocation and its utilization showed that heavy amount of Rs 699.119 million remained unutilized. In certain cases, zero expenditure against allocation of Rs 345.868 million were noticed which depict 100% lapse of funds. Furthermore, expenditure of Rs 85.750 million was noticed against budget allocation of Rs 439.001 million resulting lapse of funds amounting to Rs 353.251 million i.e more than 50%.

Audit is of the view that due to weak financial management, budget was allocated without demands.

Allocation of budget without demand resulted in unjustified blockage of funds amounting to Rs 699.119 million.

The matter was reported to the CEO in September, 2019. In DAC meeting held on 18.12.2019, CEO replied that he funds could not be utilized due to vacant posts. The reply was not tenable because in some other object code budget also remained unutilized.

DAC directed the CEO to get the matter regularized from competent authority. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing responsibility on the person(s) responsible for defective preparation of budget and its poor monitoring against the standard instructions besides regularization of the irregularity by the competent authority.

[AIR Para:10]

7. District Education Authority (DEA) Rajanpur

Chapter 1

Public Financial Management Issues

Directorate General Audit (Distt.Govts.) Punjab (South) Multan conducts Financial Attest Audit of the Accounts of District Education Authority Rajanpur on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	3,931.792	3,932.133	0.341	0
Non-Salary	120.822	101.868	(18.954)	(16)
Development	81.789	79.227	(2.561)	(3)
Total	4,134.403	4,113.228	(21.175)	(1)

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 79.227 million against an allocation of Rs 81.789 million for 386 development schemes of provision of missing facilities, construction of dilapidated buildings, up-gradation of schools, construction of classrooms for shelter less and establishment of Government Boys / Girls Primary Schools. 152 schemes of provision of missing facilities, construction of dilapidated buildings, construction of classrooms for shelter less schools and an amount of Rs 2.561 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 21.175 million lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statement (Certification Audit 2019-20)

During Certification Audit of DEA Rajanpur for the Audit Year 2019-20, it was noticed that Financial Statements had different figures of cash closing balance at various places. There was difference in trust and public receipts figures of SAP and Financial Statements. In the Financial Statements, receivables were reported in negative figures, which was unjustified.

The Appropriation Accounts and Financial Statements of DEA Rajanpur for the financial year 2018-19 properly present, in all material respects, the financial position of the District Education Authority, Rajanpur as at 30th June 2019.

The following issues surfaced during Certification Audit of District Education Authority Rajanpur

- Difference of cash closing balance figures at various places - Rs 3.807 million
- Difference of trust & public receipts in SAP data and Financial Statements - Rs 40.481 million
- Unjustified balance of receivables in negative - Rs (92,456,459)

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Rajanpur was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicator	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Core Indicator	17	Students attendance (K-2)	88.00	88.38	Achieved
	18	Teacher Presence	90.00	95.61	Achieved
	19	Head Teacher Presence	90.00	92.87	Achieved
	20	Availability of boundary wall	98.00	99.41	Achieved
	21	Availability of drinking Water	95.00	99.21	Achieved
	22	Availability of Furniture	70.00	65.61	Not Achieved
	23	Classrooms observations	80.00	94.56	Achieved
Infrastructure Indicators	24	Safe Building	98.00	97.28	Not Achieved
	25	NSB Time Lines	90.00		
	26	NSB Utilization	90.00	90.71	Achieved
	27	Data Health	90.00	85.26	Not Achieved
	28	Sufficiency of Toilets	78.80	74.45	Not Achieved
Retention Indicators	29	Retention (K-2)	97.00	99.28	Achieved
Monitoring and management Indicators	30	School Hygiene	80.00	84.28	Achieved
	31	Partial Facility	1.00	1.37	Achieved
Hot Line Complaints resolution Indicators	32	On Time resolution	90.00	99.00	Achieved

Source: Data received from CEO (DEA)

iii. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- Non-Production of Record worth Rs 59.361 million was reported in 01 case.
- Fraud and Misappropriations involving an amount of Rs 1.227 million were reported in 01 case.
- Irregularities amounting to Rs 502.871 million were noticed in 19 cases.
- Value for Money and Service Delivery Issues involving Rs 7.899 million were noticed in 02 cases.

iv. Service Delivery Issues

From the data analysis of DEA Rajanpur following service delivery issues were observed:

- Availability of furniture was targeted 70%, while it could be achieved only 65.61%, student could not avail class room furniture despite provision of huge non-salary budget.
- Safe Building was targeted 98%, while it could be achieved only 97.28%, due to laxity of building department.
- Data Health was targeted 90% but achieved only 85.26%.
- Sufficiency of Toilet was targeted 78.8% but achieved only 74.45%.

v. Expectation Analysis and Remedial Measures

District Education Authority:

CEO (DEA) did not achieve its overall targets regarding furniture, Safe Building, Data Health and Sufficiency of Toilet. Furthermore, targets pertaining to NSB timeline was not fixed. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets.

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and probity in use of development and non-development funds. Moreover, this can be checked by holding accountable those who are responsible for such irregularities at appropriate forums.
- Efforts should be made for timely provision of funds.
- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

7.1.1 Audit Paras

7.1.1.1 Difference in cash closing balance in FS and its detailed notes - Rs 3.807 million

Risk Categorization: High

Observation:

As per rule 2.2 of PFR Vol.1, all cash transactions should be entered in the cash book and attested in token of check and the cash book should be completely checked and closed regularly. In token of check of cash book the last entry checked therein should be initialed (with date) by the Government servant concerned on each occasion.

During course of financial attest audit of District Account Office Rajanpur of DEA for the financial year 2018-19 it was noticed that DAO did not reconcile properly and huge difference in cash closing balance in Financial Statements at different places, as detailed below:

(A)

Closing Balance as per FS Note 15 page 2,3, & 11	Closing Balance as per FS note 16 page 11	NBP Local Branch	Difference (Excess)
191,795,000	187,988,000	187,988,000	3,807,000

(B)

NBP Local Branch	SBP Head Office Karachi	Difference (Excess)
187,988,000	186,939,202	1,0491,59

Implications

The non reconciled releases of funds caused the misrepresentation of figures.

Management Response

In DAC meeting held on 18.10.2019, DAO replied that reconciliation is in process. When correct figure of balances is arrived at, the same would be produced to the Audit.

Recommendations

It is recommended that releases of funds should be reconciled.

7.1.1.2 Difference in SAP data and financial statement for trust & public receipts

Risk Categorization: High

Observations:

As per rule 2.2 of PFR Vol.1, all cash transactions should be entered in the cash book and attested in token of check and the cash book should be completely checked and closed regularly. In token of check of cash book the last entry checked therein should be initialed (with date) by the Govt. servant concerned on each occasion.

During course of financial attest audit of District Education Authority Rajanpur for the financial year 2018-19 it was noticed that DAO did not reconcile properly and huge difference between SAP data and Financial Statements in closing balance as per detailed below was observed:

(Rupees in million)

Head of Account	DEA ACCOUNT –V		
	Amount as per SAP	Amount as per Financial Statement	Difference
Trust & other public account-Receipts	-7,898.405	-7,938.886	40.481

Implications

- Misrepresentation of figures of closing balance

Management Response

In DAC meeting held on 18.10.2019, DAO replied that the necessary rectification in the financial statement of District Education Authority Rajanpur has been made which will be received to audit through A.G Punjab, Lahore. Para may kindly be settled.

Recommendations

It is recommended that trust and public receipt & payment should be reconciled.

7.1.1.3 Unjustified balance of Receivable - Rs(92,456,459)

Risk Categorization: High

Observations:

As per rule 2.2 of PFR Vol.1, all cash transactions should be entered in the cash book and attested in token of check and the cash book should be completely checked and closed regularly. In token of check of cash book the last entry checked therein should be initialed (with date) by the Govt. servant concerned on each occasion.

During the course of financial attest audit of DEA Rajanpur for the financial year 2018-19 it was observed that the Receivable receipt as per financial statement of District Education Authority, as on 01.07.2018 was Rs(51975,000) and on 30.06.2019 Receipt Rs 40,481,177/- as per page No.12 of finance account but the payment is nil as the difference is Rs(92,456,459) which is impossible.

Implications:

Misrepresentation of figures of closing balance

Management Response

In DAC meeting held on 30 & 31.10.2018, DAO replied that necessary rectification in the financial statement of District Education Authority Rajanpur has been made which will be received to audit through A.G Punjab, Lahore.

Recommendations

It is recommended that receivable should be reconciled.

Chapter 2

DEA Rajanpur

7.2.1 Introduction:

District Education Authority, Rajanpur was established on 01.01.2017 under Punjab Local Government Act 2013. DEA, Rajanpur is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

CEO is the Principal Accounting Officer of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the DEA Group of Offices is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

DEA Rajanpur manages following educational facilities and institutes:

Description	No. of office / schools
Primary Schools	782
Middle Schools	88
High Schools	69
Higher Secondary Schools	12
Dy. DEO (EE-M)	03
Dy. DEO (EE-W)	03
DEO (Elementary Education)	01
DEO (Secondary Education)	01
CEO (District Education Authority)	01

The detail of Audit jurisdiction in respect of District Education Authority Rajanpur is given below:

(Rupees in million)

Sr. No.	Description	Total No.	Audited	Expenditure audited F.Y. 2018-19	Revenue /Receipts audited F.Y. 2018-19
5	Formations	100	07	2,733.764	5.246
6	Assignment Accounts (Excluding FAP)	-	-	-	-

Sr. No.	Description	Total No.	Audited	Expenditure audited F.Y. 2018-19	Revenue /Receipts audited F.Y. 2018-19
7	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
8	Foreign Aided Projects (FAP)	-	-	-	-

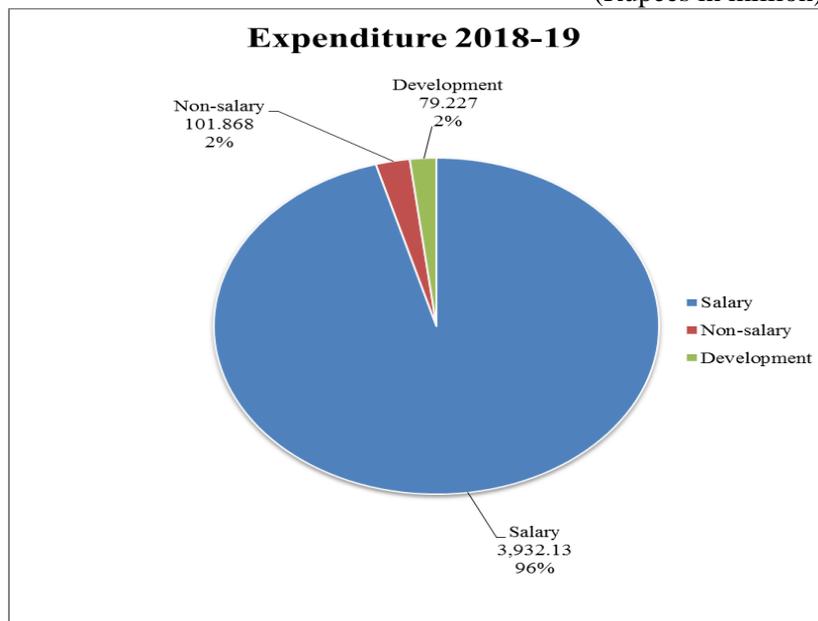
7.2.2 Comments on Budget and Accounts

The detail of budget and expenditure is given below in tabulated form:

(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	3,931.792	3,932.133	0.341	0
Non-Salary	120.822	101.868	(18.954)	(16)
Development	81.789	79.227	(2.561)	(3)
Total	4,134.403	4,113.228	(21.175)	(1)

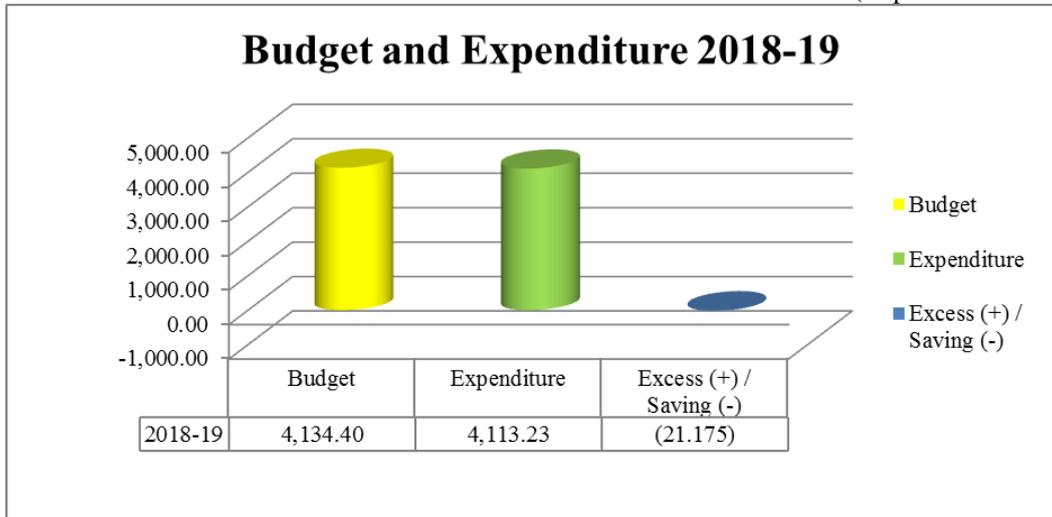
(Rupees in million)



As per the Appropriation Accounts 2018-19 of the District Education Authority, Rajanpur, total original budget (Development and Non-Development)

was Rs 3,931.792 million. Against the budget, total expenditure of Rs 3,932.133 million was incurred by the District Education Authority during 2017-18. Lapse of funds amounting to Rs 0.341 million came to the notice of audit due to inefficient financial management in release of budget by Deputy Director (Finance). No plausible explanation was provided by PAO and management of the District Education Authority Dera Ghazi Khan. (Annexure-B)

(Rupees in million)



Due to inefficient financial management in release of budget by Deputy Director (Finance), major portion of funds lapsed as detailed below:

- (i) Excessive budget was blocked by allocating heavy amounts in non development portion which resulted in lapse of Rs 18.954 million (16 per cent).

An amount of Rs 2.561 million (3 per cent) remained unutilized under Grant 36 “Development” due to less development activities.

7.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 571.358 million were raised as a result of this audit. This amount also includes recoverables of Rs 31.508 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount
1	Non-production of record	59.361
2	Reported cases of fraud, embezzlement and misappropriation	1.227
3	Irregularities	0
A	HR / Employees related irregularities	432.926
B	Procurement related irregularities	69.945
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	7.899
5	Others	0
Total		571.358

7.2.4 Comments on the Status of Compliance with PAC Directives

The Audit Report pertaining to the following years was submitted to the Governor of the Punjab but has not been presented to the Public Accounts Committee.

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	12	PAC not constituted
2	2018-19	12	PAC not constituted

7.2.5 AUDIT PARAS

7.2.5.1 Non-Production of Record

7.2.5.1.1 Non-production of record - Rs 59.361 million

According to Clause 14 (1) (a) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for keeping of initial and subsidiary accounts.

The following DDOs incurred an expenditure of Rs 59.361 million during 2018-19, but vouched accounts of the expenditure of contingencies, NSB record and pay and allowances were not produced for audit verification.

(Rupees in million)

Sr. No.	DDOs	Nature of Record	Amount
1	CEO, DEA	Vouched account	38.101
2	Dy.DEO (EE-W) Rojhan		2.876
3		Inspection allowance	1.194
4	Dy.DEO (EE-M) Rajanpur	Vouched account	2.200
5	Dy.DEO (EE-W) Jampur	NSB record	4.188
6	Dy.DEO (EE-W) Rajanpur		0.957
7	Dy.DEO (EE-M) Jampur	Pay and allowances	9.845
Total			59.361

Audit is of the view that due to weak financial management, the record was not produced for audit verification.

Non-production of record created doubt regarding legitimacy of the expenditure of Rs 59.361 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to inquire the matter, fix responsibility and disciplinary action on the person(s) at fault for non-production of record, and to ensure that the record is produced to Audit for scrutiny.

[AIR Paras:1,11,20,20,16,13,11]

7.2.5.2 Fraud / Misappropriation

7.2.5.2.1 Misappropriation on account of uniform and stores - Rs 1.227 million

According to Rule 15.4 of PFR Vol-I, states all materials received should be examined, counted, measured and weighed as the case may be when delivery is taken and the same should be kept in charge of a responsible Government servant. Furthermore, according to Rule 15.5 states, when materials are issued, a written acknowledgement should be obtained from the person to whom they are ordered to be delivered.

Heads of 32 schools under the administrative control of Deputy District Education Officer (W-EE) Jampur, incurred an expenditure of Rs 1.227 million on account of purchase of uniform and store items. However, stock entry and further utilization / distribution were not on record. Moreover, the expenditure was without approval of school council.

Audit is of the view that due to weak financial management, amount was drawn without proof of expenditure.

Misappropriation of funds resulted in loss to the Government of Rs 1.227 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility against the person(s) at fault besides recovery of misappropriated amount from the concerned.

[AIR Para:32]

7.2.5.3 Irregularities

7.2.5.3.1 Un-authorized drawal of pay without sanctioned posts - Rs 381.207 million.

According to Sr. No.1, Second Schedule of the Punjab Delegation of Financial Power Rules 2016, the power to create posts rest with the Administrative Department subject to the concurrence of Finance Department.

The following DDOs allowed withdrawal of pay and allowances of Rs 381.207 million to employees during 2018-19. Scrutiny of the record revealed that pay and allowances were paid in excess of sanctioned post. The detail is given below:

(Rupees in million)						
Sr. No.	DDOs	BPS	Sanctioned Post	Salary Drawn	Excess	Total
1	Dy. DEO (EE-M) Rojhan	3	0	1	1	0.204
2		5	0	2	2	0.533
3		18	0	3	3	20.224
4	Dy. DEO (EE-W) Jampur	3	0	90	90	34.543
5		8	0	1	1	0.511
6		10	0	1	1	0.619
7		14	74	754	680	299.064
8		15	0	41	41	18.425
9		16	19	25	6	2.821
10		17	0	4	4	2.841
11		18	0	1	1	1.422
Total			93	923	830	381.207

Audit is of the view that due to weak financial management, pay and allowance were paid without sanctioned post.

Payment without sanctioned post resulted in unauthorized expenditure of Rs 381.207 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides pay drawn unauthorizedly should be either recovered or regularized.

[AIR Paras:23,37]

7.2.5.3.2 Unauthorized retention of public money in DDO account - Rs 32.125 million

According to Rule 2.10(5) of PFR Vol-I, no money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance.

The following DDOs withdrew an amount of Rs 32.125 million out of the Government treasury during 2018-19. However, the same was not disbursed to the concerned claimants till June 2019. A heavy closing balance was being shown in the bank statements concerned. The detail is given below:

(Rupees in million)

Sr. No.	DDO	Account No.	Closing Balance as on 30.06.19
1	CEO (DEA)	NBP -4141791333	11.342
2	Dy.DEO (EE-W) Jampur	NBP-3106936244	20.783
Total			32.125

Audit is of the view that due to weak financial management, the Government funds drawn from the Government treasury was not promptly disbursed to the claimants concerned.

Delay in disbursement of the Government money resulted in unauthorized retention of public money of Rs 32.125 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry, fixing responsibility and appropriate action on the person(s) at fault besides regularization of matter.

[AIR Paras: 11,43]

7.2.5.3.3 Unauthorized incurrence of expenditure beyond competency - Rs 22.037 million

According to Sr.No.18 (IV) of the Punjab Delegation of Financial Powers Rules 2016, the officers in categories I-IV are competent to accord the sanction of arrears of pay, allowances, etc., not more than three years old, of a Government Servant to whom they are competent to appoint.

The following DDOs sanctioned pay and allowance amounting to Rs 22.037 million in favour of their staff during 2018-19. CEO (DEA) and DEOs were the appointing authorities of the said staff. So incurrence of expenditure with the sanction of the Dy. DEOs without specific budget grant was unauthorized and beyond competency. The detail is given below:

(Rupees in million)

Sr. No	DDOs	Amount
1	Dy. DEO (EE-M) Rojhan	8.362
2	Dy. DEO (EE-W) Jampur	3.256
3	Dy. DEO (EE-W) Rajanpur	10.419
Total		22.037

Audit is of the view that due to weak financial management, expenditure was incurred beyond competency.

Incurring of expenditure beyond competency and specific budget resulted in unauthorized expenditure of Rs 22.037 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of the expenditure.

[AIR Paras:10,8,8]

7.2.5.3.4 Irregular cash payment - Rs 11.457 million

According to Rule 4(1)(b) of Punjab District Authorities (Accounts) Rules 2017, the payment exceeding rupees one thousand shall be made through crossed non- negotiable cheque.

The following DDOs made payments of Rs 11.457 million during 2018-19 to various contractors and suppliers on account of contingent expenditure in cash instead of crossed cheques. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	CEO (DEA)	Payment to suppliers	0.553
2	Dy.DEO (EE-W) Rojhan		0.440
3	Dy.DEO (EE-M) Rajanpur		3.933
4	Dy.DEO (EE-W) Jampur		4.001
5	Dy.DEO (EE-W) Rajanpur		1.381
6	Dy.DEO (EE-M) Jampur		1.149
Total			11.457

Audit is of the view that due to weak financial management, payments were made in cash instead of crossed cheques.

Payments made to the suppliers in cash resulted in irregular expenditure of Rs 11.457 million.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault, besides regularization of the expenditure.

[AIR Paras:7,16,15,35,24,13]

7.2.5.3.5 Unauthorized expenditure out of SMC / NSB fund - Rs 10.690 million

According to the Government of Punjab (PESRP) notification No.SO(S-III)2-12/2006 dated 06.08.2007, School Council Policy 2007 as amended up to 2013, all expenditure shall be incurred with prior approval of the school council and all purchases/ execution of work shall be carried out in a transparent and economical manner.

The following DDOs incurred an amount of Rs 10.690 million during 2018-19 out of NSB / SMC budget / funds. Scrutiny of the relevant record revealed that the expenditure was incurred without having proof of actual work done, stock entry, approval of valid school management council and proof of consumption of stores. Furthermore, the work done was never inspected and verified by the education authorities. In most cases cash payment was made instead of crossed cheque. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy.DEO (EE-W) Rojhan	Repair & maintenance	2.528
2	Dy.DEO (EE-M) Rajanpur		0.879
3	Dy.DEO (EE-M) Rojhan		0.767
4	Dy.DEO (EE-W) Jampur	Repair & maintenance & store item	1.474
5			1.926
6	Dy.DEO (EE-W) Rajanpur		0.910
7	Dy.DEO (EE-M) Jampur	Uniform, Bag, Stationery	2.206
Total			10.690

Audit is of the view that due to weak financial management, expenditure was incurred without observing codal formalities.

Non-observance of codal formalities resulted in unjustified expenditure of Rs 10.690 million.

The matter was reported to the CEO and DDOs concerned in August 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the expenditure from the competent authority.

[AIR Paras:17,19,22,29,33,22,16]

7.2.5.3.6 Unauthorized payment of conveyance allowance – Rs 9.719 million

According to Rule 1.15 of the Punjab Travelling Allowance Rules 1976 and the Government of the Punjab education department (School Wing) letter No. So (S-III) 1-2-16/2007 dated 24.09.2007, conveyance / mobility allowance is not admissible during the period of leave of any kind or vacations.

The following DDOs paid conveyance allowance of Rs 9.719 million to the employees despite the fact that the said allowance was not admissible during vacations and leave period. The detail is given below:

(Rupees in million)			
Sr. No.	DDOs	Description	Amount
1	Dy.DEO (EE-W) Rojhan		0.191
2		Winter vacation	0.181
3	Dy.DEO (EE-M) Rajanpur	Leave on full pay	0.106
4		Winter vacation	3.153
5		Summer vacation	0.032
6	Dy.DEO (EE-M) Rojhan		0.013
7		Leave on full pay	0.059
8		Winter Vacation	0.686
9	Dy. DEO (EE-W) Jampur	Summer vacation	0.011
10		Leave on full pay	0.571
11		Winter vacation	1.196
12	Dy. DEO (EE-W) Rajanpur	Summer vacation	0.016

Sr. No.	DDOs	Description	Amount
13		Leave on full pay	0.578
14		Winter vacation	1.177
15	Dy. DEO (EE-M) Jampur	Leave on full pay	0.113
16		Winter vacation	1.636
Total			9.719

Audit is of the view that due to weak financial management, inadmissible conveyance allowance was paid.

Payment of inadmissible conveyance allowance resulted in loss of Rs 9.719 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of Rs 9.719 million.

[AIR Paras: 5,10,4,6,7,7,11,12,6,12,14,7,10,11,4,14]

7.2.5.3.7 Recovery of irregular payment of inspection allowance - Rs 7.813 million

According to Govt. of Punjab School Education Department Lahore vide No.SO(Budget) 1-15/2013 (V-II) dated 15.01.2018, inspection allowance @ Rs 25,000 per month was granted with immediate effect to Assistant Education Officer working in School Education Department subject to verifiable key performance indicators developed by Education Department.

The following DDOs paid an amount of Rs 7.813 million during 2018-19 on account of inspection allowance to AEOs. Scrutiny of the relevant record revealed that inspection allowance was paid to AEOs in summer vacation, training and AEOs of headquarter which resulted unauthorized because this allowance was in lieu of TA/DA and will be paid after making of hundred

percent visits/performance bases and the same was not a part of pay. The detail is given below:

(Rupees in million)

Sr. No	DDOs	Period	No. of Employees	Amount
1	Dy. DEO (EE-W) Rojhan	2018-19	4	0.200
2	Dy. DEO (EE-M) Rajanpur		16	0.800
3			16	1.300
4	Dy. DEO (EE-M) Rojhan		11	0.973
5	Dy. DEO (EE-W) Jampur		14	1.500
6			5	0.153
7	Dy. DEO (EE-W) Rajanpur		12	1.050
8	Dy. DEO (EE-M) Jampur		21	1.837
Total				7.813

Audit is of the view that due to weak financial management, inspection allowance was paid during the period for which it was not admissible.

Payment of inspection allowance in violation of above quoted rule resulted in overpayment of Rs 7.813 million.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the overpaid amount of Rs 7.813 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:18,12,13,3,3,20,3,1]

7.2.5.3.8 Non-deduction of income tax and sales tax - Rs 5.363 million

According to Section 153(1) and 1(c) of Income Tax Ordinance, 2001, every prescribed person, while making a payment in full or part, shall deduct tax at the specified rate from the gross amount payable. Furthermore, according to Clause 1.3 of Sales Tax Special Procedure (Withholding) Rules, 2007,

withholding agents are required to deduct an amount equal to 1/5th (20 percent) of the total Sales Tax. Moreover, according to Rule 5 of Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent shall deduct Sales Tax at the applicable rate of the value of taxable services provided to him from the payment due to the service provider.

The following DDOs made payments against supply of goods, rendering of services and execution of contracts during 2018-19. However, an amount of Rs 5.363 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not /less deducted from the payments. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Income Tax	Sales Tax	Withholding Tax on Services	Amount
2	Dy.DEO (EE-M) Rajnapur	0	1.516	0	1.516
3	Dy.DEO (EE-M) Rojhan	0	0.139	0	0.139
4	Dy.DEO (EE-W) Jampur	0.668	1.030	0.515	2.213
5	Dy.DEO (EE-W) Rajnapur	0	1.307	0.086	1.393
6	Dy.DEO (EE-M) Jampur	0	0.102	0	0.102
Total		0.668	4.094	0.601	5.363

Audit is of the view that due to non-compliance of tax laws, taxes were not deducted / withheld at specified rates.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 5.363 million to the suppliers/service providers/contractors.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 5.363 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:17,21,30,34,36,22,25,17]

7.2.5.3.9 Unauthorized and doubtful purchase of furniture - Rs 2.839 million

According to School Council Policy circulated vide Government of the Punjab School Education Department No.SO(S-III)2-12/2006 dated 06.08.2007, all expenditure shall be incurred with prior approval of the school council and all purchases/ execution of work shall be carried out in a transparent and economical manner.

The heads of 30 schools under the administrative controls of Dy. DEO (EE-M) Rajanpur withdrew an amount of Rs 2.839 million on account of purchase of furniture. However, no physical verification and inspection reports of purchases was not on record.

Audit is of the view that due to weak financial management, expenditure was incurred without observing codal formalities.

Non observance of codal formalities resulted in unauthorized and doubtful expenditure of Rs 2.839 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the expenditure.

[AIR Para:18]

7.2.5.3.10 Un-authorized payment against weather shield /paint - Rs 2.758 million

According to Government of the Punjab Finance Department letter No. RO (TECH) FD-2-8/98 dated 05.06.2000, applying of weather shield paint is only permissible in case of buildings of historical nature. Furthermore, according to Rule 9 of Punjab Procurement Rules 2014, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and

shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

The following DDOs incurred expenditure of Rs 2.758 million on account of weather shield/paint applied on the school buildings which were neither historical nor necessary approval from the competent authority was obtained. The bills of paint / whitewash were split just to avoid quotations and tendering process. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy.DEO (EE-M) Rojhan	Weather shield	0.447
2	Dy.DEO (EE-W) Jampur		1.099
3	Dy.DEO (EE-W) Rajanpur		1.212
Total			2.758

Audit is of the view that due to weak financial management, weather shield was applied to school without necessary approval.

Non observance of codal formalities resulted in unauthorized expenditure.

The matter was reported to the CEO and DDOs concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of the expenditure from the competent authority.

[AIR Paras:16,22,16]

7.2.5.3.11 Unauthorized payment of inadmissible allowances – Rs 2.754 million

According to Rule 2.33 of the PFR Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part. Further

according to Government of Punjab Finance Department clarification vide letter No.FD.PR-12.-7/2007 dated 05.04.2018 “The Assistant Education Officers (AEOs) of School Education Department, who are appointed by initial recruitment, are not entitled to the grant of charge allowance”

Various DDOs under the administrative control of CEO (DEA) allowed payment of charge allowance, integrated allowance, qualification allowance, inadmissible allowances etc. amounting to Rs 2.754 million during 2018-19, which were not admissible. **(Annexure-C/RP)**

Audit is of the view that due to weak financial management, payment of inadmissible allowances was made.

Payment of inadmissible allowances resulted in loss of Rs 2.754 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 2.754 million, besides fixing responsibility on the person(s) at fault.

[AIR Paras: 9,12,13,2,9,11,15,13,18,20,13,15,18,19,26,28,12,
14,15,18,20,2,6,7,10]

7.2.5.3.12 Unauthorized withdrawal on construction work - Rs 2.536 million

According to Rule 16.2 of the PFR Vol-I, A constructional work, the estimated cost of which is to exceed Rs.10,000 should not be entrusted for execution to outside firms or contractors by Departments other than the Public Works Department without previously consulting the Finance Department. As per Para 54 to 58 of CPWD Code read with Para 209 of CPWA Code , no work should be commenced or liability incurred without administrative approval and technical sanction estimate.

The heads of 12 schools under the administrative control of Dy. DEO (EE-M) Rajanpur withdrew an amount of Rs 2.536 million during 2018-19 out of NSB fund on construction works for schools. The administrative approval, technically sanctioned estimate and measurement books were not on record.

Audit is of the view that due to weak financial management, expenditure was incurred without work and detailed measurement.

Withdrawal of fund without proof of execution of work resulted in unauthorized expenditure of Rs 2.536 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault.

[AIR Para:16]

7.2.5.3.13 Underage appointment and irregular drawl of salary - Rs 2.523 million

According to clarification made by the Service General Administration and Information Department vide letter No. SOR.I(SGA&ID)-9-1/73(A) dated 01-10-1973, the person below 18 years is a minor and is not accountable for his acts. So the relaxation of age limit below 18 year is not considerable in any way.

Dy. DEO (EE-W) Jampur appointed Mrs. Saima Kiran having Personal No 30688405 and CNIC No 3240224586878 date of birth 28.10.1977 as PET on 02.09.1995 and joined the service on 02.09.1995. At the time of appointment age of the said official was 17 year 10 months and 4 days only. Hence her appointment and drawl of salary amounting to Rs.2.523 million is irregular.

Audit is of the view that due to weak financial management, underage teacher was appointed and paid salaries.

Payment of salaries to underage teacher resulted in irregular expenditure of Rs 2.523 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommended fixing responsibility on the person(s) at fault besides regularization of the matter from the competent authority.

[AIR Para:21]

7.2.5.3.14 Unauthorized payment of salary during leave without pay – Rs 2.266 million

According to Rule 2.33 of the PFR, Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

The following DDOs allowed an amount of Rs 2.266 million during 2018-19 on account of salaries to employees when they were on leave without pay. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Period	Amount
1	Dy. DEO (EE-W) Rojhan	2018-19	0.149
2	Dy. DEO (EE-M) Rajanpur		0.222
3	Dy. DEO (EE-M) Rojhan		0.070
4	Dy. DEO (EE-W) Jampur		0.709
5	Dy. DEO (EE-W) Rajanpur		0.812
6	Dy. DEO (EE-M) Jampur		0.304
Total			2.266

Audit is of the view that due to weak financial management, salaries were paid to employees during leave without pay.

Payment of salaried during leave period resulted in overpayment of Rs 2.266 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 2.266 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:14,5,4,17,4,3]

7.2.5.3.15 Unauthorized drawl of salaries after transfer-Rs 2.079 million

According to Rule 9(b) of the Punjab District Authorities (Accounts) Rules 2017, the DDO and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Dy. DEO (EE-W) Jampur allowed an amount of Rs 2.079 million on account of pay and allowances to teacher. The teacher (Mst. Khalda Bibi PST) was transferred from GGPS Bumbli Jampur to GGES Hazrat Wala Rajanpur and relieved on 14.04.2009 vide EDO Education Rajanpur order No1702 dated 13.04.2009 to another fund center. The pay of the official was not stopped and continued to be withdrawn till date of audit.

Audit is of the view that due to weak financial management, pay and allowance were drawn from irrelevant cost center.

Withdrawal of pay and allowance from irrelevant cost center resulted in unauthorized expenditure of Rs 2.079 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility besides regularization / refund of the salaries drawn.

[AIR Para:7]

7.2.5.3.16 Recovery of unauthorized payment of SSB - Rs 1.330 million

According to Government of the Punjab, School Education Department Lahor, Notification No. SO(SE-III) 2-16/2007(P-V) dated 07.08.2015, the Educators already appointed on contract basis under the provision of contract policy are regularized w.e.f 07.08.2015 and their pay was to be fixed at the initial of the respective pay scale and services period of contract shall not be counted for any purpose Pension, gratuity, leave, etc). these appointees shall not be entitled to the payment of 30% SSB.

The following DDOs allowed an amount of Rs 1.33 million during 2018-19 on account of social security benefit to 27 officers/officials whose services were regularized. The detail is given below:

(Rupees in million)

Sr. No	DDOs	No. of employees	Amount
1	Dy. DEO (EE-W) Rojhan	1	0.061
2	Dy. DEO (EE-M) Rojhan	7	0.382
3	Dy. DEO (EE-W) Jampur	8	0.395
4	Dy. DEO (EE-W) Rajanpur	11	0.492
Total		27	1.330

Audit is of the view that due to weak financial management, social security benefit was paid to permanent employee.

Payment of social security benefit to permanent employees resulted in overpayment of Rs 1.33 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 1.33 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:2,2,2,2]

7.2.5.3.17 Overpayment due to non-fixation of basic pay and allowances - Rs 1.198 million

According to Government of the Punjab Service and General Administration Department Notification No. DS(O&M) 5-3/2004/contract (MF) 10.11.2010, upon regularization of services of employees working on contract basis in various department, the pay is to be fixed at the initial of the respective pay scale and services period of contract shall not be counted for any purpose pension, gratuity, leave, etc.

The services of the employees under the following DDOs were regularized w.e.f 07.08.2015. However, the pay of the employees were not re-fixed to initial stages after regularization which resulted overpayment of Rs 1.198 million. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Number of Employees	Amount
1	Dy.DEO (EE-W) Rojhan	13	0.218
2		11	0.039
3	Dy.DEO (EE-M) Rojhan	7	0.106
4	Dy.DEO (EE-M) Rojhan	4	0.019
5		8	0.062
6		8	0.055
7	Dy.DEO (EE-W) Jampur	5	0.196
8		10	0.034
9	Dy.DEO (EE-W) Rajanpur	11	0.425
10		8	0.044
Total			1.198

Audit is of the view that due to weak financial management, the basic pay of the employees was not re-fixed after regularization of services.

Non-fixation of pay resulted in overpayment of Rs 1.198 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides recovery of Rs 1.198 million.

[AIR Paras:1,6,1,6,8,9,1,10,5,1,6]

7.2.5.3.18 Doubtful expenditure due to non accountal of store - Rs 1.112 million

According to Rule 15.4 of PFR Vol-I, states “All materials received should be examined, counted, measured and weighed as the case may be when delivery is taken and the same should be kept in charge of a responsible Government servant.” Further, Rule 15.5 states, “When materials are issued, a written acknowledgement should be obtained from the person to whom they are ordered to be delivered.

Chief Executive Officer (Education) Rajanpur incurred an expenditure of Rs 1.112 million for purchases of ceiling fans, water cooler, UPS, batteries, furniture, printer, laptop and stationary during 2018-19. The stock entries of the items were not recorded and installation/ consumption record of stationery was not maintained which made the expenditure doubtful.

Audit is of the view that due to weak financial management, payment was made without availability of store record.

Non availability of stock record resulted in doubtful expenditure of Rs 1.112 million

The matter was reported to the CEO in September 2019, but nor reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides make the loss good from the culprit.

[AIR Para:2]

7.2.5.3.19 Non-realization of receipts and overpayments – Rs 1.065 million

According to Rule 14 (d) of the Punjab District Authorities (Accounts) Rules 2017, the primary obligation of the Collecting Officers shall be to collect receipts in the transparent manners and guard against misappropriation, fraud, embezzlement or compromise.

The following DDOs failed to recover the Government receipts and overpayments of Rs 1.065 million during 2018-19 on account of inspection fee, salary after termination of contract, Registration fee, professional fee, fine/penalty etc. (**Annexure-D/RP**)

Audit is of the view that due to weak financial management, the Government receipts and overpayments were not realized.

Non-recovery of receipts and overpayments resulted in loss to the Government of Rs 1.065 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 1.065 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:7,8,8,19,1,8,5,14,17,4,11,31,5,9,17,23,27,5,8]

7.2.5.4 Value for Money and Service Delivery Issues

7.2.5.4.1 Unjustified blockage of Government money against construction work - Rs 6.884 million

According to Rule 93(d) of the Punjab Local Government Act 2013, a District Education Authority shall ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education.

Funds of Rs 6.884 million out of NSB for construction work of schools under the administrative control of Dy. DEO (EE-M) Rajanpur remain unutilized upto 30.6.2019. Funds could not be utilized due to non-availability of technical staff and non-preparation of technical estimate. The detail is given below:

(Rupees in million)

Name of school	Markaz	Balance on 01.07.2018	Balance on 30.06.2019
GPS Basti Sheer Ali	Kotla Qaim	0.915	0.821
GPS Khara Hunkani	Shikarpr	1.063	0.821
GPS Basti Sohi	Noor pur	1.323	1.000
GPS Branda Bahadur	Kotla Androon	0.915	0.911
GPS Basti Shaiksha	Kotla Qaim	0.670	0.470
GPS Jadeed Nasayani	Murgai	1.065	0.910
GPS Mud Haji Haptan	Chak Lassa	0.601	0.491
GPS Chak Lassa	Fazalpur	1.456	1.000
GPS Bait Arain	Bait Sontra	0.545	0.460
Total			6.884

Audit is of the view that due to weak financial management, funds were transferred without technical estimate.

Non-utilization of funds resulted in unjustified transferred of funds of Rs 6.884 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry of the matter and fixing responsibility on the person(s) at fault.

[AIR Para:14]

7.2.5.4.2 Unjustified blockage of Government money against construction of classrooms - Rs 1.015 million

According to PMIU-PERSP, letter No.PERSP-ADA1-09/2017/15272 dated 02.06.2017, the competent authority has decided to drop the decision of construction of Improvised Classrooms and all the schools which have been given NSB allocation for construction of Improvised Classrooms may kept reserved for next financial year. Furthermore, as per PMIU-PERSP, letter No.PERSP-NSB 1-07-2018/17369 dated 11.02.2019, the funds distributed for the construction of improvised class rooms may be kept reserved until further directions.

GPS Shehar Nindo Khan Markaz Asni School under the administrative control of Deputy District Education Officer (EE-M) Rajanpur, incurred an expenditure of Rs 1.015 million for construction of classroom in violation of above quoted instruction. The expenditure was incurred without technical staff, Original / Revise Estimate and without advertising on PPRA website resulted in irregular expenditure.

Audit is of the view that due to weak financial management, heavy expenditure was incurred without technical staff and observing codal formalities.

Non observance of codal formalities resulted in irregular expenditure of Rs 1.015 million.

The matter was reported to the CEO and DDO concerned in September 2019, but no reply was submitted.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the expenditure.

[AIR Para:3]

8. District Education Authority (DEA) Chiniot

Chapter 1

Public Financial Management Issues

Regional Directorate Audit Faisalabad conducts Financial Attest Audit of District Accounts Office Chiniot on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

a) Analysis of Targets and Achievements

Sectoral analysis of DEA Chiniot was made on the basis of various quality indicators of Education Department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Programme Monitoring & Implementation Unit) being part of the CM Roadmap 2014. The objectives of the roadmap are to improve education standards through improved environment, new admissions of students, retention / zero tolerance to drop out, improved facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements for 2018-19

(Figures in Nos.)

Indicators	Sr. No.	Sub Indicators	Target (%)	Achievement (%)	Remarks
Quality Indicators Literacy & Numeracy Drive (LND) Test Results	1	LND	82	81.50	Not Achieved
Core Indicators	2	Students Attendance	92	93.24	Achieved
	3	Teacher Presence	90	97.13	Achieved
	4	Head Teacher Presence	90	98.23	Achieved
	5	Availability of Boundary Wall	98	99.28	Achieved
	6	Availability of Drinking Water	95	99.71	Achieved
	7	Availability of Furniture	70	76.32	Achieved

Indicators	Sr. No.	Sub Indicators	Target (%)	Achievement (%)	Remarks
	8	Classroom Observation	80	95.86	Achieved
Infrastructure Indicators	9	Safe Buildings	98	99.42	Achieved
	10	NSB Timelines	90	N.A	Achieved
	11	NSB Utilizations	90	95.63	Achieved
	12	Data Health	90	95.26	Achieved
	13	Sufficiency of Toilet	83.8	90.1	Achieved
Retention Indicators	14	Retention (K-12)	97	99.56	Achieved
Monitoring & Management Indicators	15	School Hygiene	80	83.12	Achieved
	16	Partial Facility	1	0.75	Achieved
	17	On time Resolution	90	99	Achieved

(Source: Data retrieved from PMIU Data Pack up to May 2019)

From the data analysis of DEA Chiniot, it was observed that DEA achieved its overall targets regarding teacher attendance, attendance and retention of students and dangerous buildings. But failed to achieve the targets regarding LND test results. Data for NSB timelines was missing and results about performance in this area remain unclear. Overall, the Authority satisfied 93.7% targets leaving a minor room for improvement. It is pertinent to mention here that some schools still lacked furniture, boundary wall and toilet facilities, which are basic requirements. It was observed that development funds amounting to Rs 32.377 million were not utilized and lapsed during the financial year. These were core indicators which were not achieved which meant that administration failed to deliver to the best for meeting these targets.

DEA failed to achieve the targets regarding issues of infrastructure i.e. availability of boundary walls, class rooms and furniture as given in table below:

Detail of Missing Facilities in Public Sector Schools as on 30.06.2019

(Figures in Nos.)

Category of Missing Facility	Description	Girls Schools	Boys Schools	Total
Missing Boundary Wall	No. of schools having missing boundary wall	10	7	17
Missing Toilet Facility	No. of schools having missing toilet facility	5	2	7

Category of Missing Facility	Description	Girls Schools	Boys Schools	Total
Missing Class Rooms	No. of schools facing shortage of class rooms	53	86	139
	No. of missing class rooms	130	146	276
Missing Furniture	No. of schools facing shortage of furniture	82	56	138
	No. of Students for whom furniture is not available	6,028	3,968	9,996

(Source: Data provided by CEO, DEA Chiniot)

There are 17 schools without boundary walls which include 10 girls' schools. There is also shortage of class rooms for 139 schools and 138 schools remained without necessary furniture during 2018-19. This portrays a gloomy picture for state of education in public sector in district Chiniot.

b) Serious Financial Irregularities and Findings

The compliance with authority audit has shown that overall financial management of DEA Chiniot was poor and serious lapses were observed which have highlighted the need for improving the internal controls and financial discipline. Some key issues are given below:

- i. Irregularities amounting to Rs 64.333 million were noticed in 11 cases.
- ii. Value for Money and Service Delivery Issues involving Rs 28.867 million were noticed in 4 cases
- iii. Other issues involving an amount of Rs 487.193 million were noticed in 12 cases.

c) Financial Attest Audit Findings

Further, following findings regarding financial management issues were also conveyed to the PAO during Financial Attest Audit of DEA Chiniot for financial year 2018-19:

- i. Understatement / misrepresentation of tax receipt – Rs 2.223 million
- ii. Non-transfer of receipt – Rs 79.386 million

- iii. Unauthorized payment without booking of expenditure - Rs 9.333 million
- iv. Non-reporting of Fixed Assets – Rs 83.334 million
- v. Non-disclosure of payments by third party / direct payments in the Financial Statements – Rs 225.288 million
- vi. Un-cleared balance in G05105 Wage Clearing Account – Rs 1.536 million

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department. However, these issues have been reported in audit certificate / report of DEA, Chiniot as Emphasis of the Matter.

Conclusion:

The overall financial management regarding achievement of budget utilization was not satisfactory as more than 22% funds of Non-Development budget were lapsed while DEA could not utilize 21% funds of Development budget. The performance of DEA was also not satisfactory in compliance of rules and regulations regarding expenditure and irregularities amounting to Rs 583.213 million were pointed out during audit of 2018-19.

The overall performance of DEA Chiniot was also not up to the mark as the availability of furniture and toilet block for all schools could not be ensured. It was also noticed that Rs 32.377 million were lapsed during the year which could have been utilized to provide the missing facilities. The utilization of Non-Salary Budget was also not achieved and funds could not be utilized during the year. Thousands of students were without fundamental facilities such as desks and tables, while scores of schools were operating without class rooms and with partial facilities.

8.1.1 Audit Paras

8.1.1.1 Understatement / misrepresentation of tax receipt – Rs 2.223 million

Risk Categorization: High

Criteria

According to Section 3.3.7.7 of Manual of Accounting Principle (MAP), where an entity acts as an agent the revenues or expenses should not be recorded in the primary books of account other than as a matter of stewardship. For example, an entity collecting taxes will not normally control the future economic benefits embodied in the tax collections and as such would not recognize the taxes as revenues of the entity. The entity may however recognize “taxes collected on behalf of the Government” as subsidiary information on the overall performance of the entity.

Observations

District Accounts Officer, Chiniot deducted various taxes from contingent bills and monthly salaries of employees working in District Education Authority. These taxes were collected / deducted on behalf of Provincial Government and therefore, required to be credited to Public Account in the analogy of Income Tax and Sales Tax. Contrary to the above mentioned principle, these taxes were made part of Consolidated Fund Receipt in the Account-V of District Education Authority. The detail is given in the following table:

(Rupees in million)

Sr. No.	GL Account	GL Account Des.	Document Type	Amount Collected / Deducted
1	B01603	Deduction at Source (Professional Tax)	AB	0.441
2	B02385	Sales Tax on services (Punjab)	KR, RE	1.782
Total				2.222

Implications

Showing of Provincial Government receipts as District Education Authority receipts resulted in wrong preparation of accounts and misleading figures of receipts because balances of Consolidated Funds Receipt could not be carried forward.

Recommendations:

Audit recommends that new GL accounts be created for reporting of provincial government receipts under Public Account instead of Consolidated Fund so that true picture of accounts be presented.

Management Response:

Matter is being refer to the Accountant General Punjab for appropriate mapping of GL Account in respect of Account-V, Account-VI for true representation of direct tax receipt.

Further Audit Comments:

Audit stressed to take up the matter with authorities concerned for creation of GL account and correct booking so that true picture of receipt collected and payment made be represented in the accounts. DAC directed to transfer the balances to concerned departments / Governments.

8.1.1.2 Non-transfer of receipt – Rs 79.386 million**Risk Categorization: High****Criteria**

According to Section 3.3.7.7 of Manual of Accounting Principle (MAP), where an entity acts as an agent the revenues or expenses should not be recorded in the primary books of account other than as a matter of stewardship. For example, an entity collecting taxes will not normally control the future economic benefits embodied in the tax collections and as such would not recognize the taxes as revenues of the entity. The entity may however recognize “taxes collected on behalf of the Government” as subsidiary information on the overall performance of the entity.

Observations

During Financial Attest Audit of District Education Authority, Chiniot for the period 2018-19, it was observed that District Accounts Officer, Chiniot collected

different receipts on behalf of the Federal and Provincial Government against various GL Accounts during 2018-19. Audit observed that the same were not transferred to the concerned Governments as compared to actual collection amount. The details are given below:

(Amount in Rupees)

Sr. No.	GL Account	Description	Opening Balance / Previous Year's Receipt	Receipt during the year	Payment made during CFY	Balance not Transferred
1	B01603	Deduction at Source (Professional Tax)	0	441,200	0	441,200
2	B02385	Sales Tax on services (Punjab)	148,866	1,781,322	0	1,930,188
3	G06103	General Provident Fund (Civil)	25,023,807	123,400,811	113,662,661	34,761,957
4	G06215	District Govt. Employee B.F	13,173,361	39,973,902	21,019,125	32,128,138
5	G06411	District Govt. Employee Insurance Fund	2,159,262	5,348,509	4,945,375	2,562,396
6	G11278	Contribution to GSHP from members	1,069,600	2,863,500	2,627,000	1,306,100
7	G12713	Income Tax deduction from salaries	1,580,664	3,447,960	2,710,273	2,318,351
8	G12714	Income Tax deduction from suppliers	-474,262	4,173,746	918,777	2,780,707
9	G12777	Sales Tax deduction at source	-25,493	1,248,364	66,098	1,156,773
Total			42,655,805	182,679,314	145,949,309	79,385,810

Implications

Booking of liabilities in consolidated fund receipt resulted in overstatement of DEA receipts and non-transfer of receipts resulted in undue creation of liabilities in DEA accounts.

Recommendations:

Audit recommends transfer of receipts to the governments concerned at the earliest.

Management Response:

The outstanding non-transfer balances of the subject amounts has been transferred to appropriate Government.

Further Audit Comments:

Audit stressed to provide documentary evidence in support of reply. DAC directed to transfer the receipt at the earliest. Para is kept pending for compliance.

8.1.1.3 Understatement of development expenditure due to incorrect booking in SAP – Rs 9.333 million**Risk Categorization: High****Criteria**

According to Section 2.3.2.2 of the Accounting Policies and Procedural Manual (APPM), there should be correct and consistent classification of transactions and the recognition of revenues and expenditures in the correct time period.

Observations

During Financial Attest Audit of District Education Authority, Chiniot for the period 2018-19, it was observed that payment made to Executive Engineer Building, Chiniot as deposit work with Document No. 1901227329 by debiting G10113 (Public Liability) instead of booking expenditure in SAP (A05270) which required justification and rectification.

Implications

Transfer of money as deposit work without booking of expenditure in SAP resulted understatement of consolidated expenditure.

Recommendations:

Audit recommends justification for wrong booking and rectify the errors in SAP FI in F.Y 2018-19.

Management Response:

The requisite general entry for reflection of expenditure against head A05270 is being proposed to AG Punjab for proper action after approval from Competent Authority.

Further Audit Comments:

Audit stressed to rectify/adjustment in SAP FI to present true picture of consolidated expenditure statement. DAC directed DAO for justification of matter besides efforts made to rectify the expenditure statement at earliest.

8.1.1.4 Non-reporting of Fixed Assets – Rs 83.334 million**Risk Categorization: High****Criteria**

According to Section 13.4.1.1 of the APPM, the categories of assets shall include land & building, civil works, plant & machinery, vehicles, furniture & fixtures, office equipment and computer equipment. Further according to Section 13.4.5.2 of the ibid, all DAOs shall prepare a fixed asset report from the fixed asset account on quarterly basis. Furthermore, according to Section 13.4.5.4 of ibid, the AG shall consolidate the above information for including to the annual accounts.

Observations:

District Accounts Officer, Chiniot made payments amounting to Rs 83.335 million under GL Account A05270, A09 & A12 for procurement of assets and execution of civil works by the District Education Authority during 2018-19. Contrary to the above referred Section of APPM, the expenditure was not included in statement of Capital Expenditure and asset side of Balance Sheet. Detail in Annex-1

Implications:

Non-reporting of Fixed Assets resulted in violation of above mentioned Principle and actual financial position of the entity was not represented in the accounts.

Recommendations:

Audit recommends justification besides reporting of Fixed Assets in Balance Sheet.

Management Response:

After preparation of quarterly reports of fixed Asset and Civil work executed during the Financial Year 2018-19 the figures of the same shall be reported to the AG Office for incorporation of printed Appropriation /account and Financial Statements.

Further Audit Comments:

The reply is not tenable because Fixed Assets were not reported in subsidiary accounts / Balance Sheet of the Authority. DAC directed to take the matter with the concerned to report and disclose the acquisition of Fixed assets. Para is kept pending for compliance.

8.1.1.5 Un-cleared balance in G05105 Wage Clearing Account – Rs 1.536 million**Risk Categorization: High****Criteria**

According to office of The Accountant General of Punjab office order No.A/C V & VI/G05105/2018-19/HM/1015 dated 25.19.2109 that wage clearing account must be Nil on monthly basis. Any difference must be in it means incomplete/incorrect processing of payrolls by an Accounts Officer.

Observations:

Audit observed from the Scrutiny of SAP FI data of District Education Authority, Chiniot for Financial Year 2018-19 that District Accounts Officer, Chiniot finalized Annual Accounts without reconciliation/rectification in G05105 despite intimation by apex office time and again due to which wage clearing account showed closing balance of Rs 1.536 million, as detailed below:

(Rupees in million)

GL Account	Description	Opening	Receipt	Payment	Closing
G05105	Wage Clearing Account	2.308	2,789.509	2,890.280	1.536

Implications:

Un-cleared balance in G05105 resulted in defective/incorrect processing of payroll.

Recommendations:

Audit recommends justification besides clearing closing balance of G05105 amounting to Rs 1.536 million.

Management Response:

After execution of monthly account outstanding balance of G05105 shall be cleared through proper transfer entry under intimation to Audit.

Further Audit Comments:

Audit stressed to clear A05105 at earliest.

8.1.1.6 Extra burden of pension payments – Rs 10.610 million

According to Para 5 of Government of the Punjab, Finance Department letter No.FD(DG)1-Instructions-Act-13/2016 dated 25.05.2017, the concerned District Authority shall transfer the monthly pension contribution @ 40% of the pay of serving MC/Zila Council employees of Education and Health sector w.e.f. 01.01.2017 to the District Education Authority Pension Fund in prescribed manner.

CEO DEA Chiniot made payment of pension amounting to Rs 14.370 million during 2018-19 to 49 retired employees / pensioners of Local Government without receipt of specific grant from Government of the Punjab. However, total amount of pension contribution for the year was Rs 3.760 million thus created financial burden of Rs 10.610 million for DEA Chiniot. Government of the Punjab did not transfer the required funds and DEA managed pension payments from its own resources. Further, the management of DEA did not create pension fund which was required to be created as per PLGA, 2013.

Due to weak management, matter regarding shifting of additional resources for pension payment was not taken up at appropriate forum.

Non-pursuance of matter for provision of additional resources for pension payment resulted in extra burden of Rs 10.610 million on the local fund of the DEA Chiniot.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends active pursuance of the matter for provision of extra resources beyond the required amount of pension contribution besides devising sound mechanism to avoid wrong / over payments.

[AIR Para: 10]

8.1.1.7 Unlawful conduct of business of District Education Authority – Rs 3,211.626 million

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 08.11.2017), when an elected local government is, for any reason, not in office, the Government may appoint an administrator to perform the functions of the local government until the elected local government assumes office but such period shall not exceed twelve months. Further, according to Section 64 of the Act *ibid*, the executive authority of a local government shall vest in and be exercised by its Mayor or Chairman. Furthermore, according to Government of the Punjab, Local Government and Community Development Department Notification Noor(LG)38-5/2014 dated 01.01.2017, established District Education Authority in each District and appointed Deputy Commissioner of the District as Administrator of the said Authority w.e.f. 01.01.2017.

Contrary to the above provisions of the Punjab Local Government Act, Deputy Commissioner, Chiniot continued to hold the office as Administrator and exercised the powers of the authority beyond lawful tenure of 12 months which was expired on 31.12.2017. Therefore, conduct of business of the Education

Authority, Chiniot including approval/ authentication of Revised Budget amounting to Rs 3,211.626 million and incurrence of expenditure during July, 2018 to June, 2019 was held unlawful. Furthermore, powers of the House / Authority were concentrated in and used by a Government servant.

Audit is of the view that due to negligence, business of the District Education Authority was run by Deputy Commissioner beyond lawful tenure of 12 months.

Exercising the powers of the House by the Deputy Commissioner beyond 12 months resulted in unlawful authentication / approval of revised budget amounting to Rs 3,211.626 million and unlawful conduct of business of District Education Authority.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends investigation for fixing responsibility on person(s) at fault besides regularization of the matter from the competent authority, under intimation to Audit.

[AIR Para: 7]

8.1.1.8 Utilization of NSB funds without pre-audit – Rs 222.956 million

According to Section 4.2.1.2 of the APPM, sanction of expenditure, preparation of claim voucher (bill) for payment (except for salaries and wages), approval of expenditure, registration of purchase order/claim voucher, certification (pre-audit) of claims, authorization of payment and recording of expenditure in the accounting records are the key steps required to be followed in all expenditure transactions.

Audit observed that CEO DEA Chiniot credited funds amounting to Rs 222.956 million through bank advice to the School Council accounts of

various primary / elementary / high and higher secondary schools, working under his administrative control. The funds were transferred in the School Council's bank accounts after withdrawal from treasury on simple Receipt Form. These funds were utilized by School Councils without involving pre-audit. Further, vouched accounts were also not submitted to the District Account Office for scrutiny. The details are given in following table:

(Rupees in million)

Sr. No.	Release Order No.	Cost Centre	Amount
1	No.(SNE)PMIU/2019/NSB dated 06.05.2019	CT4099 Chiniot	141.200
2	No.SO(Budget-II)PMIU/2017/NSB dated 30.08.2018	-do-	81.756
Total			222.956

Audit is of the view that due to weak financial management, funds were transferred to the bank accounts of School Councils without pre-audit and vouched accounts were also not submitted to District Account Office.

Transfer of funds amounting to Rs 222.956 million without pre-audit resulted in violation of rules.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to formulate procedures for pre-audit besides regularization of expenditure from the competent authority.

[AIR Paras: 2, 19, 7]

Chapter 2

DEA Chiniot

8.2.1 Introduction

District Education Authority, Chiniot was established on 01.01.2017 under Punjab Local Government Act 2013. DEA, Chiniot is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

CEO is the Principal Accounting Officer of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is personally responsible to ensure that the business of the DEA is carried out proficiently, in accordance with law and to promote the objectives of the Authority.

DEA Chiniot manages following administrative offices and educational institutes:

Description	No. of Offices/ Institutions	No. of Formations
CEO (District Education Authority)	01	01
DEO (Secondary Education)	01	01
District Officer (Literacy)	01	01
DEO (EE-M)	01	01
DEO (EE-W)	01	01
Deputy DEOs (EE-M)*	03	03
Deputy DEOs (EE-W)*	03	03
Higher Secondary Schools (Boys & Girls)	07	07
High Schools (Boys & Girls)	72	72
Elementary Schools*	94	-
Primary Schools*	525	-
Special Education Schools / Centers	04	04
Total	713	94

(*Deputy DEOs are also the DDOs of Elementary & Primary Schools)

The following table shows detail of total & audited formations of DEA Chiniot:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure Audited FY 2018-19	Revenue/ Receipts Audited FY 2018-19
1	Formations	94	07	500.315	-
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities/Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

8.2.2 Comments on Budget & Accounts (Variance Analysis)

To achieve the targets assigned to the PAO by Government of the Punjab, financial resources as given below were made available to CEO DEA Chiniot during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Non-Development (Salary + Non-Salary)	3,797.741	2,955.722	-842.019	22.17
Development	151.844	119.467	-32.377	21.32
Total	3,949.585	3,075.189	-874.396	22.14
Receipts	-	0.583	0.583	-

(Source: Appropriation Accounts 2018-19)

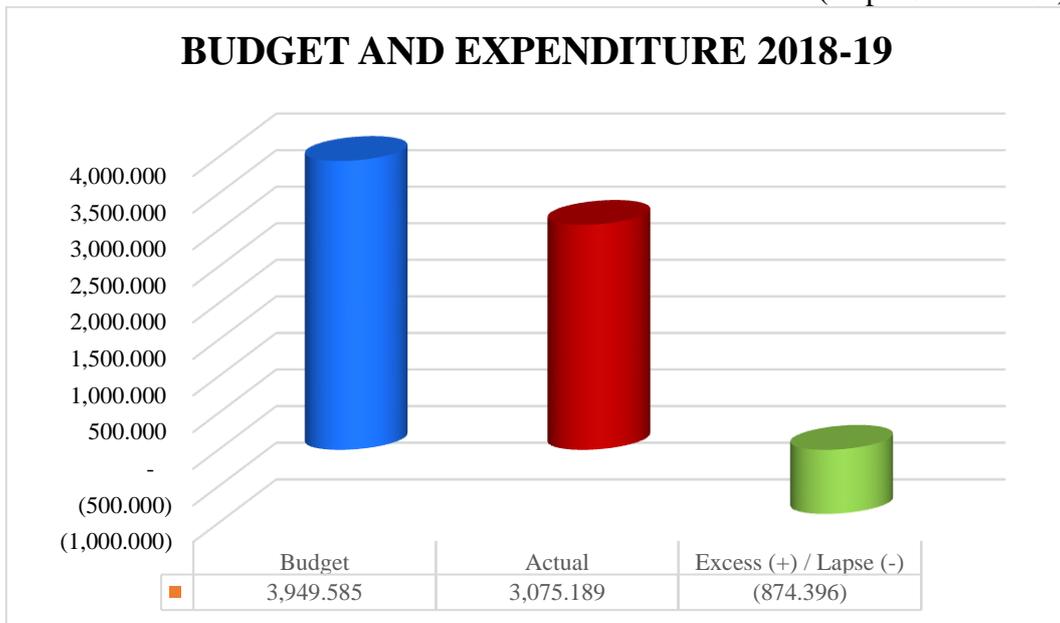
Analysis of budget and expenditure indicated that:

- a. An amount of Rs 3,797.741 million was provided for salary and non-salary expenditure. A lapse of Rs 842.019 million was observed, which accounts for 22% of the total budget.
- b. An amount of Rs 151.844 million was provided under development grant, out of which an amount of Rs 119.467 million was utilized. The department did not utilize funds in a timely manner, resulting in a lapse of Rs 32.377 million i.e. 21%.

- c. Out of total development expenditure of Rs 119.467 million, an amount of Rs 38.727 million was spent for pay & allowances and operational expenses of literacy project. Out of remaining budget an expenditure of Rs 80.740 million an amount of Rs 21.583 million was incurred for the purchase of furniture & transport and expenditure of Rs 59.157 million was incurred for construction of buildings in different schools of the district.
- d. The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2018-19.

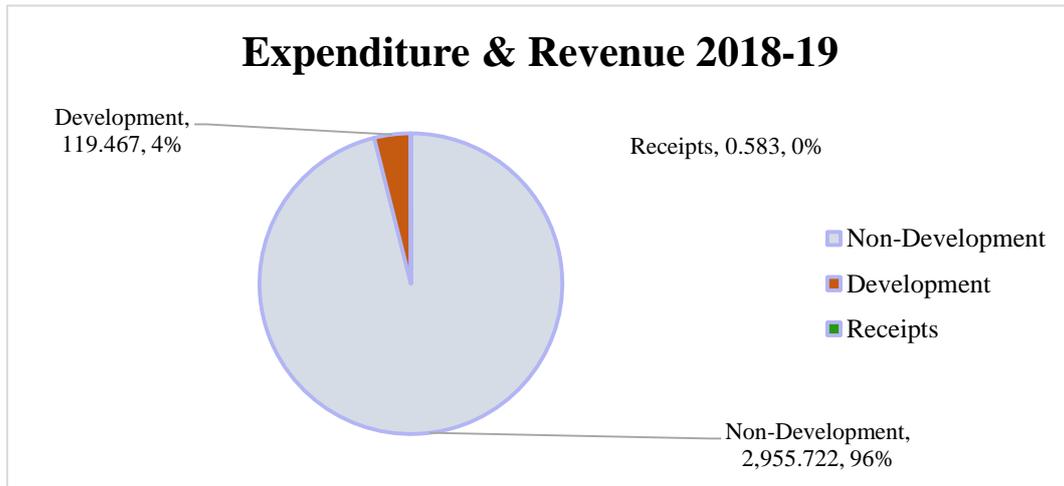
Graphical presentation of budget & expenditure is as under:

(Rupees in million)



Graphical presentation of expenditure & revenue is as under:

(Rupees in million)



8.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 580.393 million were raised as a result of this audit. This amount also includes recoverable of Rs 40.101 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount
1	Non-production of record	-
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Irregularities	-
A	HR/Employees related irregularities	38.186
B	Procurement related irregularities	26.147
C	Management of Accounts with Commercial Banks	-
4	Values for money and service delivery issues	28.867
5	Others	487.193
	Total	580.393

8.2.4 Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee so far.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	11	PAC not constituted
2	2018-19	22	PAC not constituted

8.2.5 Audit Paras

8.2.5.1 Irregularities

8.2.5.1.1 Unauthorized payment of salaries through adjustments – Rs 17.493 million

According to Rule 2.20 of the Punjab Financial Rules, Volume-I, as a general rule every payment, including repayment of money previously lodged with Government, for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim. As far as possible, the particular form of voucher applicable to the case should be used.

Audit observed that Deputy District Education Officer (EE-W) Bhowana and (EE-M) Chiniot made payment amounting to Rs 17.493 million to different employees through adjustments in pay & allowances and off-cycle payments without justifying such adjustments supported by the ancillary record. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Deputy DEO (EE-W) Bhowana	Payment of pay & allowances was made through adjustments in regular payroll as well as off-cycle payroll without maintenance of supporting record	12.475
2	Deputy DEO (EE-M) Chiniot	Payment of pay & allowances was made through adjustments in regular payroll without maintenance of supporting record	4.564
		Payment of pay & allowances was made through adjustments in off-cycle payroll to the regular employees instead of pensioner / retired / transferred employees	0.454
Total			17.493

Audit is of the view that due to weak financial controls, salaries were paid through adjustments without maintaining supporting record.

Payment of pay & allowances through adjustments without maintaining ancillary / supporting record resulted in unauthorized payment of Rs 17.493 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides provision of all the ancillary record for verification.

[AIR Paras: 17, 6, 11]

8.2.5.1.2 Unauthorized payment of inadmissible pay and allowances – Rs 10.083 million

According to Rule 1.15(2) of the Punjab Travelling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time. Further, according to clarification of Government of the Punjab, Finance Department vide letter No.FD.SRI9-4/66(P)(PR) dated 21.04.2014, the officers who are availing facility of the Government vehicles including bikes (sanctioned / pool) are not entitled to the facility of Conveyance Allowance w.e.f. 01.03.2014. Furthermore, according to Rule 2.31 (a) of PFR Vol-I a drawer of bill for pay, allowances, contingent and other expenses will be responsible for any overcharges, frauds and misappropriation.

Audit observed that following DDOs of District Education Authority Chiniot made excess payment of salary amounting to Rs 10.083 million to 5,862 employees due to payment of inadmissible Conveyance, Charge & Qualification Allowance and increments in Basic Pay. The details are as under:

(Rupees in million)				
Sr. No.	Name of DDO / Office	Description	No. of Employees	Amount
1	Principal Government Nusrat High	withdrew pay & allowances during	04	0.083

Sr. No.	Name of DDO / Office	Description	No. of Employees	Amount
	School Chenab Nagar Chiniot	leave without pay and inadmissible Charge Allowance		
		withdrew Conveyance Allowance during leave	04	0.021
2	Headmaster Government High School 237 JB Chiniot	Withdrew pay & allowances after transfer / resignation	02	0.029
		Withdrew Conveyance Allowance during winter vacation	26	0.025
3	Deputy District Education Officer (EE-M) Lalian	Withdrew inadmissible Charge Allowance	01	0.005
		Withdrew Conveyance Allowance despite availability of official vehicle	01	0.008
		Withdrew excess pay & allowances due to availing inadmissible increment(s)	03	0.164
		Withdrew inadmissible Qualification Allowance	01	0.013
4	Deputy District Education Officer (EE-W) Bhowana	Withdrew Conveyance Allowance during winter vacation	587	0.842
		Withdrew pay & allowances during absence period	01	0.152
			01	0.024
5	CEO DEA Chiniot	Withdrew Conveyance Allowance during summer / winter vacation	4,761	7.550
6	Deputy District Education Officer (EE-M) Chiniot	Withdrew excess pay & allowances due to availing inadmissible increment(s)	03	0.437
		Withdrew inadmissible Charge Allowance	07	0.084
		Withdrew Conveyance Allowance during winter vacation	460	0.646
Total			5,862	10.083

Audit is of the view that due to weak financial management, payment of inadmissible pay and allowances were made to employees.

Payment of inadmissible pay & allowances resulted in excess payment to the employees amounting to Rs 10.083 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 10.083 million at the earliest from the employees concerned.

[AIR Paras: 6, 7, 3, 5, 2, 4, 8, 10, 1, 3, 6, 1, 8, 9, 10]

8.2.5.1.3 Doubtful procurements through fake / managed invoices – Rs 6.749 million

According to Section 23(1) of the Sales Tax Act 1990, a registered person making a taxable supply shall issue a serially numbered tax invoice at the time of supply of goods containing the complete particulars. Furthermore, according to Rule 9(b) of the Punjab District Authorities (Accounts) Rules, 2017, the drawing and disbursing officer and payee of the pay, allowances, contingent expenditure or any other expenses shall be personally responsible for overpayment, fraud or misappropriation and shall be liable to make good that loss.

Audit observed that head teachers of various primary and elementary schools working under the administrative control of Deputy District Education Officer (EE-W) Bhowana withdrew funds amounting to Rs 6.749 million from NSB through School Councils. However, funds were withdrawn by using fake / managed invoices of the supplier. The instances of use of fake / managed invoices are quoted as under:

- i. Invoice number 2574 was shown to be issued on 03.07.2018 whereas invoice number 2512 on 04.07.2018, invoice number 3159 on 23.11.2018 whereas invoice number 3146 on 26.11.2018 and so on.
- ii. Procurements were made from local market or other shops / suppliers but invoices were got managed from another person / contractor as per statements of head teachers.
- iii. Some invoices were either without number or without date.
- iv. Invoices of one school for different months were issued in same sequence/consecutive series and to the other school in another sequence/ consecutive series which indicated that just letter head was used to manage/prepare fake invoices without actual purchase of goods by the School Councils from the so called supplier.

Audit is of the view that due to prevalence of financial indiscipline, procurements were shown to be made by using fake / managed invoices.

Withdrawal of funds amounting to Rs 6.749 million by using fake / managed invoices and without actual procurements from the so called supplier resulted in doubtful procurements.

The matter was reported to the PAO and DDO concerned during July to October, 2019. It was replied that action would be taken after investigation of the matter. No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides taking up the matter with FBR.

[AIR Para: 4]

8.2.5.1.4 Irregular expenditure without observing procurement rules – Rs 6.394 million

According to Section 4 of the Guide Book for Non-Salary Budget (NSB), procurement rules issued by the Punjab Procurement Regulatory Authority would be followed by the School Councils while making procurements from NSB funds. Further, according to Rule 14 of the Punjab Procurement Rules, 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one National Daily Newspaper.

Audit observed that head teachers of various primary and elementary schools under the administrative control of District Education Authority Chiniot incurred expenditure amounting to Rs 6.394 million for purchase of furniture, execution of civil works and white washing of buildings during 2009-19. However, expenditure was incurred by splitting the cost of procurements to avoid invitation of bids / tenders. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Amount
1	Headmaster Government High School 237 JB	01	0.674
2	Deputy District Education Officer (EE-M) Lalian	06	1.360
3	Deputy District Education Officer (EE-W) Chiniot	05	0.244
		01	0.183
4	Deputy District Education Officer (EE-W) Bhowana	27	3.933
Total		40	6.394

Audit is of the view that due weak internal controls, expenditure was incurred without observing procurement rules and School Council Policy.

Non-observance of procurement rules and School Council Policy resulted in irregular expenditure of Rs 6.394 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of expenditure from the competent authority.

[AIR Paras: 4, 6, 8, 10, 8]

8.2.5.1.5 Unauthorized expenditure out of NSB grant – Rs 4.124 million

According to Para 2.1 of Guidelines for Primary and Elementary School for utilization of Non-Salary Budget, allocation of proper fund is necessary to enable the schools for better education planning, management and delivery. Further, according to Para 2.4 *ibid*, schools will be bound to prepare School Based Action Plan with consideration of allocated budget. Furthermore, according to Para 2.6 *ibid*, the schools will keenly observe their necessities for preparation of detailed budget and rationally divide budget against relevant heads.

Audit observed that head teachers of 24 elementary / primary schools working under the administrative control of Deputy District Education Officer

(EE-M) Chiniot incurred expenditure of Rs 4.124 million out of NSB funds on execution of civil works, procurement of machinery & equipment, furniture and fixtures, stationery etc. and paid an amount of Rs 0.457 million on account of GST to suppliers. Contrary to the above, expenditure was incurred in violation of rules due to following reasons:

1. In some cases, invoices issued by the suppliers were not in chronological order, dateless invoices were issued without serial No. printed on it.
2. GST invoices were issued against repair work.
3. GST invoices were issued without detail of supply and material supplied.
4. Quotations were collected w/o calling letter and procurements were made w/o supply orders. Further in some cases only two quotations were collected.
5. In some cases, procurements were made from unregistered person.
6. In some cases, invoices for different months were issued in same sequence / consecutive series and to the other school in another sequence / consecutive series which indicated that just letterhead was used to manage / prepare fake invoices without actual purchase of goods by the School Councils.
7. GST was charged on whitewash contracts and exempted supplies.
8. Due to doubtful invoices assurance regarding deposit of 4/5th of remaining GST amounting to Rs 0.365 million paid to suppliers could not be ascertained.

Audit is of the view that due to weak internal controls, expenditure was incurred in violation of rules through non-competitive procurement process.

Expenditure from NSB through doubtful invoices resulted in incurrence of unauthentic expenditure of Rs 2.608 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

[AIR Para: 5]

8.2.5.1.6 Excess withdrawal of pay and allowances – Rs 3.000 million

According to Government of the Punjab, School Education Department Notification No.SO(SE-III)2-16/2007 dated 19.10.2009, the services of teachers appointed prior to 19.10.2009 were regularized by the Chief Minister Punjab. Further, the services of teachers appointed against the posts which were advertised prior to 19.10.2009 but appointed/joined after 19.10.2009 were regularized w.e.f.10.09.2011 vide School Education Department letter No.SO(SE-III)02-16/2007 dated 10.09.2011 and pay of these employees was required to be fixed as a fresh appointee.

Audit observed that services of 22 educators appointed on contract basis and joined education department between the period of 22.10.2009 to 09.09.2011 were required to be regularized w.e.f 10.09.2011. During scrutiny of SAP/HR data Audit observed that pay and allowances of the said teachers were not fixed as fresh appointee upon regularization w.e.f.10.09.2011 and they withdrew pay and allowance at excessive rates. Resultantly, an amount of Rs 3.000 million was excess drawn by the teachers concerned due to non-fixation of their pay at initial of the Basic Pay Scale.

Audit is of the view that due to poor financial management, pay the employees were not fixed after regularization of their services.

Non-fixation of pay after regularization of services resulted in excess payment of pay and allowances amounting to Rs 3.000 million to the employees concerned.

Audit recommends recovery of excess paid amount of Rs 3.000 million from the concerned besides re-fixation of their pay.

[AIRPara: 15]

8.2.5.1.7 Non-maintenance of prescribed record – Rs 2.627 million

According to Section 4.3 of School Council Policy, 2007, it is compulsory for School Council to maintain record of notification of School Council and record of moveable / immovable property on prescribed format. Further, according to Rule 15.4(a) of the Punjab Financial Rules, Volume-1, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible Government servant. The passing and the receiving Government servants should see that the quantities are correct and their quality good, and record a certificate to this effect. The receiving Government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers.

Audit observed that School Councils of 50 primary / elementary schools, under the administrative control of DEA Chiniot incurred expenditure of Rs 2.627 million without maintaining supporting record in violation of above referred rules. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Description	No. of Schools	Amount
1	Deputy District Education Officer (EE-W) Chiniot	Payments were made to the suppliers without making entry in stock registers. Further, approval for estimated and actual expenditure was not obtained from School Council.	11	0.694
		Payment on account of labour charges and repair work was made without mentioning full particulars of the claim and acknowledgement of payees.	12	0.222
		Expenditure for purchase of uniform, bags & shoes was incurred without making entry in stock register and obtaining acknowledgements from students regarding receipt of the	07	0.061

Sr. No.	DDOs	Description	No. of Schools	Amount
		same.		
		Expenditure was incurred on purchase of materials for repair of building and white wash but materials were not properly accounted for in stock register.	19	1.010
2	Deputy District Education Officer (EE-W) Bhowana	Expenditure was incurred on purchase of different items by the Deputy DEO and head teacher of 01 school but no stock entry was made	01	0.640
Total			50	2.627

Audit is of the view that due to negligence and weak internal controls, supporting record of expenditure incurred through School Council was not maintained.

Non-maintenance of record of expenditure incurred through School Councils amounting to Rs 2.627 million resulted in irregular expenditure.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends regularization of expenditure besides maintenance and provision of prescribed record to Audit.

[AIR Paras: 5, 9, 14, 2, 15]

8.2.5.1.8 Non-deduction of Income and Sales Tax – Rs 2.336 million

According to Section 153(1) of the Income Tax Ordinance, 2001, every prescribed person while making a payment in full or part shall deduct tax at prescribed rates. Further, according to Section 1.3 of the Sales Tax Special Procedure (Withholding) Rules, 2007, withholding agents falling under category “A” were required to deduct an amount equal to 1/5th (20%) of the total Sales Tax shown in Sales Tax invoice issued by registered persons, whereas, on

purchase of taxable goods from unregistered persons, Sales Tax was required to be deducted at the applicable rate of the value of taxable supplies. Furthermore, according to Rule 5 of the Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent, having Free Tax Number (FTN) or National Tax Number (NTN), shall on receipt of taxable services from an unregistered service provider, deduct Sales Tax at the applicable rate of the value of taxable services provided to him.

School Councils of 190 primary / elementary / high / higher secondary schools and different DDOs working under the administrative control of DEA Chiniot made payments against supply of goods, rendering of services and execution of contracts during 2009-19. Contrary to the above provisions, an amount of Rs 2.130 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not / less deducted from the payments. Further, an amount of Rs 0.206 million on account of GST was either paid on exempted supplies or unregistered suppliers issued GST invoices. **(Annexure-C/CHN)**

Due to weak internal controls, taxes were not deducted / withheld at specified rates before making payments.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 2.336 million to the suppliers / service providers / contractors concerned.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of taxes amounting to Rs 2.336 million from the concerned at the earliest and matter may be reported to FBR.

[AIR Paras: 4, 6(a)(b)(c), 7, 5, 11, 9, 10, 11, 18, 3, 4, 13]

8.2.5.1.9 Irregular expenditure on furniture without specifications/ quotations/tenders – Rs 1.805 million

According to Section of 4 of the Guide Book for Non-Salary Budget (NSB), procurement rules issued by the Punjab Procurement Regulatory Authority would be followed by the School Councils while making procurements from NSB funds. Further, according to Rules 4 10(1) and 25(2) of PPRA Rules, 2014, a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. A procuring agency shall determine specifications in a manner to allow the widest possible competition which shall not favour any single contractor nor put others at a disadvantage.

Audit observed that head teachers of 22 elementary and primary schools working under the administrative control of Deputy DEO (EE-M) Chiniot incurred expenditure of Rs 1.805 million on procurement of student desk benches, furniture & fixtures etc. Contrary to the above rules, procurements were made by splitting the cost of procurements by keeping amount of each purchase below the financial limit of Rs 100,000 to avoid tendering and Rs 50,000 to avoid quotations. Further, most of the expenditure was incurred on procurement of student desk benches on different rates. However, specifications regarding size, material, quality of material etc. were not provided in procurement process to justify the difference in rates. Resultantly, procurements were made at excessive rates and expenditure of Rs 251,364 was incurred in excess due to difference in rates.

Audit is of the view that due to weak internal controls and lack of planning, expenditure was incurred without open competition and on excessive rates without provision of specifications.

Procurement without open competition and mentioning proper specifications resulted in irregular expenditure amounting to Rs 1.805 million and incurrance of excess expenditure of Rs 251,364.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of expenditure and recovery of excess paid amount.

[AIR Para: 2]

8.2.5.1.10 Suspicious expenditure against vehicle and out of NSB by School Councils – Rs 1.085 million

According to Rule 9(b) of the Punjab District Authorities (Accounts) Rules, 2017, the drawing and disbursing officer and payee of the pay, allowances, contingent expenditure or any other expenses shall be personally responsible for overpayment, fraud or misappropriation and shall be liable to make good that loss. Furthermore, according to Rule 2.10(b)(5) of the Punjab Financial Rules, Volume-I, the authorities incurring expenditure should see that no money is withdrawn from the treasury unless it is required for immediate disbursement or has already, been paid out of the permanent advance and that it is not permissible to draw advances from the treasury for the execution of works the completion of which is likely to take a considerable time.

Audit observed that Deputy District Education Officer (EE-W) Bhowana withdrew funds amounting to Rs 0.162 million for repair of vehicle, POL and Daily Allowance. Further, head teachers of different schools working under the administrative control of Deputy DEO (EE-W) Bhowana withdrew funds amounting to Rs 0.923 million from NSB of School Councils for execution of civil works, white wash, procurement of furniture / fixtures etc. However, incurrence of expenditure was held irregular and suspicious on the following grounds:

- a) Mechanical work including ring sets was shown executed on 02.03.2019 and replacement/ fixing of compulsory item of head gasket was shown on 16.03.2019 which reflected that vehicle engine

remained under overhauling during the period from 02.03.2019 to 16.03.2019 but its running was shown during the said period by drawing funds for POL and Daily Allowance.

- b) Illogical Gas filling in the vehicle was shown on 11.03.2019 despite the fact that vehicle engine was removed / under overhauling.
- c) Suspicious invoices of the general order supplier were used as they were in the continuous sequence but of different dates i.e. 3364 on 02.03.2019, 3365 on 11.03.2019 and 3366 on 16.03.2019 which indicated that the supplier was doing business with only one customer.
- d) Amount of each bill was kept upto the financial limit of Rs 50,000 to avoid open competition because expenditure of Rs 149,970 was shown to be incurred on repair of vehicle for which invitation of tenders was mandatory.
- e) Material for construction of veranda was shown purchased on 29.05.2019 and labour cost for 12 days construction work was paid on 30.05.2019. It was not understandable that how the labourer worked for 12 days on the material that had been purchased just one day earlier.
- f) Payment of construction charges / labour for execution of civil works was shown to be made to the sweepress (Khakrob).
- g) Payments were shown made to unknown persons without mentioning their names, CNIC number, contact numbers, payment acknowledgments and dates of payments despite the fact that specific space was printed / provided for all these particulars on the payment forms.
- h) Prize distribution for result day ceremonies were shown to be made in June, 2019 i.e. during summer vacations despite the fact that the annual result days had passed three months earlier. This practice was adopted just to show utilization of grants as soon as they were transferred in the School Council Accounts.

- i) Funds were drawn without mentioning quantity and size / specifications of items procured.
- j) Procurements were shown to be made by using managed invoices.
- k) Funds were transferred and expenditure was incurred without pre-audit.

Audit is of the view that due to weak financial management, funds were utilized by preparing suspicious record.

Utilization of funds amounting to Rs 1.085 million by preparing suspicious record created doubts about the genuineness of the expenditure incurred.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter regarding suspicious utilization of funds and report the issue of fake invoicing to FBR.

[AIR Paras: 7, 12]

8.2.5.1.11 Non-Reporting of assets by the management of schools – Rs 1.027 million

According to Rule 15.1 of Punjab Financial Rules Volume-I, the departmental officers entrusted with the care, use or consumption of stores are responsible for maintaining correct record and preparing correct returns in respect of the stores entrusted to them. They are also responsible for keeping them in proper custody and in good and efficient condition and for protecting them from deterioration. They should also take proper precautions to prevent loss of public stores.

Audit observed that nineteen elementary / primary schools, under the administrative control of Deputy DEO (EE-W) Chiniot did not maintain the record of assets costing Rs 1.027 million procured through School Councils out

of various grants. Therefore, total assets available in the school record cannot be verified and compared with actual assets physically available in the schools.

Audit is of the view that due to poor assets management and negligence, property / assets registers were not maintained.

Non-maintenance of property register of assets costing Rs 1.027 million resulted in mismanagement of assets of DEA.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to maintain assets register besides marking identification numbers on assets and carrying out physical verification.

[AIR Para: 1]

8.2.5.2 Value for Money and Service Delivery Issues

8.2.5.2.1 Unauthorized deposit of unspent balance into provincial receipt head – Rs 10.463 million

According to Rules 4(1)(h) and 68(1) of the Punjab District Authorities (Budget) Rules, 2017, the Chief Executive Officer shall act as Principal Accounting Officer (PAO) of the Authority and shall monitor the receipts and expenditure of District Authority, offices, institutions to be carried out in accordance with the approved budget and the rules. The primary obligation of the collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority Funds and to record entries under proper receipt head.

Audit observed that an amount of Rs 10.463 million was received as unspent balance of development schemes for the Financial Year 2017-18 from Executive Engineer Building Division Chiniot. The same was deposited in provincial Account-I on 16.04.2018 instead of Account-V of the DEA Chiniot. However, despite lapse of period of one and half year unspent balance of Rs 10.463 million has not been credited to Account-V of DEA Chiniot.

Audit is of the view that due to weak financial management unspent balance was not deposited into Account-V.

Unauthorized deposit of unspent balance into Account-I resulted in non-realization of revenue by the DEA Chiniot.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to get transfer the funds from provincial Account-I to Account-V of District Education Authority at the earliest.

[AIR Para: 5]

8.2.5.2.2 Non-recovery of Pension Fund maintained by erstwhile District Government – Rs 9.740 million

According to Para 4(c) of Government of the Punjab, Finance Department letter No.FD(DG)1-Instructions-Act-13/2016 dated 25.05.2017, the liability of the retired person(s) and retiring employees of Health and Education Sectors of erstwhile local governments shall be borne by the respective District Authorities. Moreover, the “Pension Fund” maintained by the erstwhile District Government shall be apportioned proportionately amongst the District Education Authority, District Health Authority and respective District Council.

Audit observed that erstwhile District Government deposited PLS Term Deposit Receipt (TDR) of Education department in Bank of Punjab (BoP) of pension fund with the agreement of Bank @ 9% interest. Neither deposited fund of Education Department was returned to DEA nor profit amounting to Rs 9.740 million was recovered from erstwhile District Government. The details are as under:

(Rupees in million)

TDR No. Deposited in BoP	Date of Deposit of TDR	Account No. PLS	Amount Deposited	No. of Years	Rate of Interest 9%	Total Recoverable amount From Erstwhile District Government
003612	25.05.2015	9670-1	6.900	04	2.840	9.740

Audit is of the view that due to weak financial management, share of pension fund investment was not recovered.

Non-recovery of pension fund share amounting to Rs 9.740 million resulted in shortage of funds for pension payments of District Education Authority.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of pension fund share from the Government without further delay.

[AIR Para: 6]

8.2.5.2.3 Non-imposition / non-recovery of penalty for delay in completion of works – Rs 4.765 million

According to clause 39 (a) of the Contract Agreement for execution of civil works, the time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. The contractor shall pay as compensation an amount equal to one percent of the amount of contract subject to maximum of 10% or such smaller amount as the engineer in-charge (whose decision in writing shall be final) may decide, on the amount of the estimated cost of work for every day the work remains un-commenced or unfinished after the proper date. Furthermore, according to Government of the Punjab, School Education Department letter No.SO(ADP)Review-418/420/2016-17 dated 24.02.2017, issuing of completion certificate and taking over the completed scheme may occur simultaneously and completed scheme free from all defects may be taken over from the executing agency.

The CEO, District Education Authority Chiniot got executed civil works by the Executive Engineer, Buildings Division Chiniot. However, the works either remained incomplete or were completed after the stipulated dates of completion provided in the work orders. The CEO, DEA neither made efforts for timely completion of civil works costing Rs 47.648 million nor the executing agency was stressed to recover and transfer / credit the penalty amounting to Rs 4.765 million to DEA Account-V.

Audit is of the view that due to weak monitoring mechanism, penalty was not got imposed/ recovered for delay in completion of civil works.

Non-imposition / non-recovery of penalty amounting to Rs 4.765 million resulted in loss to the District Education Authority besides delay in completion of works.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery amounting Rs 4.765 million and depositing the same into DEA Account-V.

[AIR Para: 9]

8.2.5.2.4 Non-recovery / lapse of unspent balance of deposit work – Rs 3.899 million

According to Government of the Punjab, School Education Department Letter No.SO(ADP)Review-418/420/2018-19 dated 24.02.2017, unspent funds, if any, on completion of a scheme, may be retrieved, for accounting / audit purpose. No adjustments of savings against a scheme may be left for utilization on another scheme of the District Education Authority (DEA), under execution with the Executive Engineer (XEN) concerned. Final statement of expenditure against each scheme, on its completion, may be obtained duly verified by the XEN and Divisional Accounts Officer.

Audit observed that Chief Executive Officer, District Education Authority, Chiniot transferred funds amounting to Rs 37.151 million to Executive Engineer, Buildings Chiniot during Financial Year 2018-19 for execution of 54 development schemes as deposit works. Funds amounting to Rs 33.252 million were incurred on these schemes during the financial year. Contrary to the above, unspent balance of Rs 3.899 million was not recovered from the executing agency which resulted in lapse of the same.

Audit is of the view that due to weak financial management, funds were lapsed.

Non-recovery of unspent balance from the executing agency resulted in lapse of funds amounting to Rs 3.899 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends strenuous efforts for early recovery of unspent amount of Rs 3.899 million.

[AIR Para: 11]

8.2.5.3 Others

8.2.5.3.1 Irregular budgeting of receipts and expenditure of Authority – Rs 3,049.364 million

According to Rules 4(g) of the Punjab District Authorities (Budget) Rules 2017, Chief Executive Officer shall be responsible to ensure the traditional budget formulation is shifted to the performance budget framework. Further, according to Rules 10(2)(c) *ibid*, all items of income and expenditure shall be specific in programs and activities and no lump-sum allowed. Furthermore, according to Rule 16(2)(a)&(b) of the Rules *ibid*, the collecting officer, while preparing estimates of receipts, shall diligently and accurately prepare the estimates of receipts by developing performance indicators and no Provincial Finance Commission Award, grant, contribution shall be included in the estimates of receipts until a definite communication is received in this regard.

Audit observed that CEO DEA Chiniot prepared the budget estimates for Rs 3,049.364 million. The following discrepancies were observed in budgeting process:

1. Development budget book was neither prepared by the District Education Authority nor approved by the Competent Authority. Detail of ADP schemes was not incorporated in budget book of DEA Chiniot.
2. Expected receipts of PFC Award and local receipt was not incorporated in budget book.
3. Traditional Budget formulation was not shifted to performance budget framework.
4. Opening balance of Account-V was not incorporated in budget book.
5. Performance indicators for receipts were not developed.

Audit is of the view that due to weak monitoring control, budgeting rules were not observed while preparing annual budget of the Authority.

Non-observing budgeting rules resulted in defecting budgeting in violation of Rules.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends regularization of matter from competent authority regarding non-adoption of proper process of budgeting.

[AIR Para: 16]

8.2.5.3.2 Irregular accumulation of liabilities – Rs 154.522 million

According to Rule 2.10(b)(3) of the Punjab Financial Rules Volume-I, all charges incurred are drawn and paid at once and are not held up for want of funds and allowed to stand over to be paid from the grant of another year; that money indisputably payable is not left unpaid; and that all inevitable payments are ascertained and liquidated at the earliest possible date.

Audit observed that liabilities amounting to Rs 154.522 million on account of financial assistance to the families of deceased employees, leave encashment and arrears of pay and allowances remained unpaid by DEA Chiniot. The details are given below:

(Rupees in million)

Sr. No.	Description	No. of Claims	Amount	Remarks
1	Financial assistance to the families of in-service died employees	44	64.800	Pending since April, 2010 to date
2	Encashment of LPR/death cases	211	84.179	Pending since September, 2012 to date
3	Pending arrear bills of employees	123	5.543	Pending since July, 2015 to date
Total		378	154.522	

Audit is of the view that due to weak financial management, liabilities remained unpaid despite availability of funds which lapsed at close of the year.

Non-payment of claims amounting to Rs 154.522 million resulted in accumulation of liabilities and undue financial burden.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides payment of liabilities without further delay.

[AIR Para: 3]

8.2.5.3.3 Irregular expenditure beyond the competence of School Councils – Rs 49.908 million

According to Section 4.9.1 of the School Council Policy, 2007, a School Council can incur expenditure up to Rs 400,000 during one Financial Year.

Audit observed that School Councils of 113 primary / elementary / high schools, working under the administrative control of DEA Chiniot incurred expenditure of Rs 95.508 million during 2017-19. Contrary to the above provision, expenditure was incurred without observing the maximum ceiling / prescribed limit of Rs 400,000 for each school during a financial year, which resulted into incurrence of excess expenditure amounting to Rs 49.908 million beyond the permissible limit of Rs 45.600 million. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	No. of Years	Expenditure			Permissible Limit	Expenditure Beyond ceiling
				NSB	FTF	Total		
1	Principal Government Nusrat Girls High School Chenab Nagar	01	02	3.405	1.676	5.081	0.800	4.281
2	Deputy DEO (EE-W) Chiniot	06	01	3.040	0.415	3.455	2.400	1.055
3	CEO DEA Chiniot	106	01	67.117	19.855	86.972	42.400	44.572
Total		113		73.562	21.946	95.508	45.600	49.908

Audit is of the view that due to weak internal controls and poor monitoring mechanism, expenditure was incurred beyond the competence of School Councils.

Incurrence of expenditure beyond the competence / prescribed limit resulted in irregular expenditure amounting to Rs 49.908 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to regularize the matter from the Competent Authority.

[AIR Paras: 1, 3, 4]

8.2.5.3.4 Unauthentic expenditure on development works – Rs 29.486 million

According to Rule 35 of the Punjab District Authorities (Accounts) Rules, 2017, the DDO shall record the payments of District Authority and its institutions in register in Form LA-11 for development expenditure and maintain cash book in Form LA-13 for receipts and disbursements. Further, according to Rule 41 of the Rules *ibid*, no payment for works shall be made unless administrative approval has been obtained, technical sanction of detailed design and estimates has been accorded by a sanctioning authority. DDOs and Head of offices shall ensure that the claims submitted for payment are valid claims for works actually executed at site in accordance with specification and agreed quantity to the satisfaction of DDO and entered in the relevant books or accounts. The bills shall be signed by the contractor, engineer in-charge and the sanctioning authority. Furthermore, according to Rules 38 & 39 of the District Authorities (Budget) Rules, 2017, the CEO shall visit not less than 20% of the projects being funded through ADP and the planning officer shall visit regularly major development projects. The PC-IV signed by the head of offices and institutions shall be mandatory for all the projects.

Audit observed that CEO, DEA Chiniot incurred expenditure of Rs 29.486 million from Account-V of DEA during 2018-19 for execution of development schemes. However, genuineness of claims could not be ascertained due to the following reasons:

- i. Cash book, for payments made against execution of works, was not maintained in District Education Authority.
- ii. Detailed designs and estimates duly technically sanctioned from the Competent Authority were not kept in record.
- iii. Vouchers / claims duly certified, signed and authenticated by the District Authority supported with measurement books were not available in CEO office;
- iv. Evidence regarding mandatory inspection / visits by the CEO (i.e. minimum 20 percent of the schemes) and planning officer was not forthcoming from the record of P&D Department of DEA, Chiniot.
- v. No record in respect of PC-IV / completion reports and certificates regarding execution of works in accordance with standard specifications was available with DEA; and
- vi. Neither public account in respect of security deposits, taxes etc. was maintained nor any mechanism for proper accounting of these deposits was developed.

The details are given below:

(Rupees in million)		
Sr. No.	Description	Expenditure during 2018-19
1	Expenditure on missing facilities ADP-966 (two schemes)	0.689
2	Reconstruction of dilapidated / dangerous school buildings ADP-968 (four schemes)	2.122
3	Upgradation of schools (14 schemes)	22.395
4	Construction of building for shelter less schools (one scheme)	1.085
5	Provision of Govt. Girls Primary/Elementary/High Schools in left over UCs ADP-965 (one scheme)	1.491
6	Missing facilities 2016-17 (two schemes)	0.384

Sr. No.	Description	Expenditure during 2018-19
7	Reconstruction of dilapidated / dangerous school buildings 2016-17 (four schemes)	1.320
Total		29.486

Audit is of the view that due to weak financial controls and poor monitoring mechanism, funds were withdrawn without maintaining proper record besides non-monitoring of actual execution of works at sites.

Withdrawal of funds amounting to Rs 29.486 million without maintaining record devising monitoring mechanism resulted in unauthentic expenditure from Account-V of DEA.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault.

[AIR Para: 8]

8.2.5.3.5 Non-utilization of Non-Salary Budget – Rs 7.458 million

According to Paras 2.1, 2.4 and 2.6 of the Guidelines for Utilization of Non-Salary Budget (NSB) in Primary and Elementary Schools, allocation of proper funds is necessary to enable the schools for better education planning, management and delivery. School Councils will be bound to prepare School Based Action Plan with consideration of allocated budget. The school Councils will keenly observe their necessities for preparation of detailed budget and rationally divide budget against relevant heads. Further, according to Para 13(2)(j) of Government of the Punjab, School Education Department letter No.SO (SE-IV) 2-50/2015 dated 09-09-2016, Assistant Education Officer (AEO) will work closely with the school councils to identify areas of improvement and assist them in making the school function better.

Audit observed that School Councils of 34 primary and elementary schools, working under the administrative control of two DDOs of DEA Chiniot received funds amounting to Rs 16.433 million during 2018-19 under NSB. However, School Councils could utilize funds amounting to Rs 9.861 million by leaving remaining funds of Rs 7.458 million which was 45 percent of allocated funds. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Allocation for the Year	Expenditure During the Year	Unutilized Funds	Non-Utilization %age
1	Deputy DEO (EE-W) Bhowana	14	6.303	3.462	3.727	59%
2	Deputy DEO (EE-M) Chiniot	20	10.130	6.399	3.731	37%
Total		34	16.433	9.861	7.458	45%

Audit is of the view that due to poor monitoring mechanism, funds remained unutilized.

Non-utilization of funds amounting to Rs 7.458 million resulted in depriving the students of envisaged benefits.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of the matter.

[AIR Paras: 18, 7]

8.2.5.3.6 Irregular cash withdrawals from bank – Rs 4.967 million

According to Rule 4(1)(b) of the Punjab District Authorities (Accounts) Rules, 2017, payments exceeding Rs 1,000 from Local Fund of a District Authority shall be made through crossed non-negotiable cheque.

Audit observed that two DDOs of DEA Chiniot withdrew cash amounting to Rs 4.967 million instead of making payments through crossed cheques as the amount of each cheque was more than the prescribed limit of Rs 1,000. Further, bank statement of the DDO account of Deputy DEO (EE-W) Bhowana, depicted that closing balance was Rs 2.063 million as on 30.06.2019 but no reconciliation, justifying accumulation of such huge amount in DDO bank account, was forthcoming from the record. The details are given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	CEO DEA Chiniot	3.895
2	Deputy District Education Officer (EE-W) Bhowana	1.072
Total		4.967

Audit is of the view that due to weak financial management, funds were drawn in cash from the bank.

Cash withdrawal amounting to Rs 4.967 million in violation of rules resulted in irregular payments / withdrawals.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of the matter from the Competent Authority.

[AIR Paras: 12, 16]

8.2.5.3.7 Expenditure through irregular School Councils – Rs 4.257 million

According to Section 3.3.2 of School Council Policy, 2007, tenure of School Council will be two years from the date of School Council notification, issued by AEO. Further, according to Para 3.1.1 of notification No.SO(SNE) PMIU/2010(P) dated 11.03.2013 issued by Government of the Punjab, School Education Department, the School Council earlier comprising a minimum of 07 and a maximum of 15 members will be enhanced to a minimum of 09 and

maximum of 17 members and general members. The total strength of the School Council has to be in odd number.

Audit observed that School Councils of various primary / elementary schools remained working under administrative control of Deputy District Education Officer (EE-M) Chiniot even after expiry of tenure of two years. Hence, expenditure of Rs 4.257 million was incurred by irregular School Councils.

Audit is of the view that due to weak monitoring controls, School Councils remained working after expiry of prescribed tenure.

Expenditure incurred through irregular School Councils resulted in irregular expenditures amounting to Rs 4.257 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides constitution of new School Councils.

[AIR Para: 14]

8.2.5.3.8 Irregular expenditure on civil works without approval of design and specifications – Rs 4.231 million

According to Section 4.4.7 of the School Council Policy, 2007 read with Para 3.4.7 of Guidelines for Utilization of Non-Salary Budget (NSB) in Primary and Elementary Schools, development works shall be got executed according to the Government approved design and specifications.

Audit observed that School Councils of 38 schools working under the administrative control of DEA Chiniot incurred expenditure of Rs 4.231 million on construction of class rooms, soling, boundary walls, toilet blocks, earthwork and repair of school buildings during 2009-19. However, works were executed

without preparation of detailed design / estimates and approval of the same from the Competent Authority. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Funds Utilized
1	Headmaster Government High School 237 JB Chiniot	01	0.609
2	Deputy District Education Officer (EE-W) Chiniot	09	0.545
		03	0.027
3	Deputy District Education Officer (EE-W) Bhowana	11	1.356
4	Deputy District Education Officer (EE-M) Chiniot	14	1.694
Total		38	4.231

Audit is of the view that due to negligence and non-compliance of School Council Policy, civil works were executed without preparation / approval of detailed designs and specifications.

Execution of works without preparation / approval of design and specifications resulted in irregular expenditure amounting to Rs 4.231 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

[AIR Paras: 2, 6, 17, 14, 1]

8.2.5.3.9 Non-verification / non-reconciliation of receipts – Rs 2.910 million

According to Rule 13.4 of Punjab Budget Manual read with Government of the Punjab letter No.IT(FD) 3-4/2002-Vol-IV dated 18.03.2003, month to month reconciliation of all payments and receipts figures is required with the District Accounts Office.

Audit observed that Principal Government Nusrat Girls High School Chenab Nagar realized revenue receipts on account of auction of old building

material of school during 2017-19. An amount of Rs 2.910 million received from bidder and deposited in NBP Chenab Nagar Branch through Challan form 32-A bearing No.15 dated 23.01.2018. However, these deposits were not got verified / reconciled with District Accounts Officer Chiniot.

Audit is of the view that due to poor financial management, deposits were not reconciled with District Accounts Office Chiniot.

Non verification / non reconciliation of receipts resulted in doubtful receipts.

The matter was reported to the PAO and DDOs concerned during July to October, 2019. It was replied that receipts amounting to Rs 2.910 million will be got reconciled / verified from District Accounts Officer Chiniot and compliance would be shown in DAC meeting.

No DAC meeting was convened till finalization of this Report.

Audit recommends verification / reconciliation of receipts besides fixing responsibility on the person(s) at fault.

[AIR Para: 2]

8.2.5.3.10 Non-submission of GST Returns – Rs 2.508 million

According to Para 4(b) of the Sales Tax Special Procedure (Withholding) Rules, 2007, the DDO concerned shall prepare the return for each month and forward the same to the collector, by the 15th of the following month along with other tax liability. Furthermore, according to Section 4(3) of the Rules *ibid*, the collector shall periodically ensure that the suppliers mentioned in the return filed by the withholding agents are filing returns and are duly declaring the supplies made to withholding agents.

Head teachers of 132 schools, working under administrative control of District Education Authority Chiniot made procurements from different suppliers. Purchasing authorities, being withholding agent, either did not deduct or deduct 1/5th of Sales Tax but did not submit monthly returns to the FBR. Resultantly,

deposit of remaining 4/5th or 100% of GST amounting to Rs 2.508 million, by the suppliers, could not be verified by the Sales Tax Department. The details are given below:

(Rupees in million)

Sr. No.	DDOs	Description	No. of Schools	Amount
1	Principal Government Nusrat Girls High School Chenab Nagar	1/5 th of GST was not deducted, therefore, verification for deposit of 100% of GST required	01	0.070
2	Deputy DEO (EE-W) Chiniot		27	0.294
3	Headmaster Government High School 237 JB	80 % of GST required verification	01	0.164
4	Deputy DEO (EE-W) Bhowana		42	0.685
5	Deputy DEO (EE-M) Lalian		61	1.295
Total			132	2.508

Audit is of the view that due to negligence, monthly returns for deduction of GST were not submitted.

Non-submission of monthly returns resulted in concealment of remaining amount of GST amounting to Rs 2.508 million by the suppliers.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides verification of deposit of remaining GST by the suppliers, matter may also be reported to FBR.

[AIR Paras: 3, 7, 8, 13, 5]

8.2.5.3.11 Irregular transfer and utilization of NSB funds through local bank account – Rs 2.010 million

According to Para 2.5 and 2(c)(ii) of Non-Salary Budget Guideline for High and Higher Secondary Schools, High and Higher Secondary Schools shall submit their detailed head-wise budget as per circulated total NSB entitlements for inclusion in respective district budget. District budget shall include NSB funds

on school specific basis as communicated by PMIU-PESRP with EMIS codes of schools in respect of high / higher secondary schools. Further, according to Para 2.4 of *ibid*, District Governments will not utilize NSB fund for the purpose other than specified. Schools could use these funds according to prescribed procedure through District Accounts Office. Furthermore, according to Para 3 & 4 of *ibid*, headmaster / headmistress will prepare long term plan and procurement plan.

Audit observed that Principal Government Higher Secondary School 237 JB utilized funds amounting to Rs 2.010 million under NSB during 2016-19 through direct transfer instead of regular budget. NSB grant was utilized directly from local bank account, without submitting the bills to the District Accounts Office. Further, expenditure was incurred without preparation of long-term plan and procurement plan.

Audit is of the view that due to weak internal controls, prescribed procedure for NSB was not observed.

Non-observance of prescribed procedures for utilization of NSB grant resulted in irregular transfer of fund amounting to Rs 2.010 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of expenditure from the competent authority.

[AIR Para: 1]

8.2.5.3.12 Non-realization of miscellaneous receipts – Rs 1.980 million

According to Section 4(1)(a)(iii) of the Punjab Employees Efficiency, Discipline and Accountability Act 2006, the competent authority may, by an order in writing, impose fine not exceeding basic pay of one month. Further, according to Rule 68 (1) of the Punjab District Authorities (Budget) Rules, 2017, the primary obligation of the collecting officer shall be to ensure that all revenue due

is claimed, realized and credited immediately to the District Authority fund. Furthermore, according to Rule 7(1) of Sub-Treasury Rules Punjab, receipt realized on behalf of the Government should at once be deposited into the Government treasury without any delay.

Audit observed that five DDOs of DEA Chiniot did not make efforts to realize / recover miscellaneous receipts amounting Rs 1.980 million on behalf of the Authority. The details are as under:

(Rupees in million)

Sr. No.	Name of DDO	Description of Receipt	Amount
1	Deputy DEO (EE-M), Lalian	Non-recovery of fine	0.077
2	Deputy DEO (EE-W), Chiniot		0.144
3	Deputy DEO (EE-W), Bhowana		0.104
4	Chief Executive Officer, DEA Chiniot	Non-recovery of penalty for late supply	0.716
		Non-auction of old building material	0.607
		Non-recovery of fine	0.232
		Non-recovery due to non-registration of private schools	0.087
5	Deputy DEO (EE-M), Chiniot	Non-credit of profit in DEA fund	0.013
Total			1.980

Audit is of the view that due to weak financial management, the DEA receipts were not realized / recovered.

Non-realization / recovery of DEA receipts amounting to Rs 1.980 million resulted in loss to the Authority.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends realization / recovery of Rs 1.980 million and deposit of the same into proper head of account besides fixing responsibility on the person(s) at fault.

[AIR Paras: 3, 12, 5, 14, 15, 17, 19, 12]

9. District Education Authority (DEA) Faisalabad

Chapter 1

Public Financial Management Issues

Regional Directorate Audit Faisalabad conducts Financial Attest Audit of District Accounts Office Faisalabad on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

a) Analysis of Targets and Achievements:

Sectoral analysis of DEA Faisalabad was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

(Figures in Nos.)

Indicators	Sub Indicators	Target 2018-19	Achievement 2018-19	Remarks
Quality Indicators Literacy & Numeracy Drive (LND) Test Results	LND	82	80.20	Not Achieved
Core Indicators	Student Attendance	92	91.87	Not Achieved
	Teacher Presence	90	97.66	Achieved
	Head Teacher Presence	90	96.97	Achieved
	Availability of Boundary Wall	98	96.90	Not Achieved
	Availability of Drinking Water	95	99.32	Achieved
	Availability of Furniture	70	88.61	Achieved
	Classroom Observation	80	96.24	Achieved
Retention Indicators	Retention (K-12)	97	99.57	Achieved

Indicators	Sub Indicators	Target 2018-19	Achievement 2018-19	Remarks
Infrastructure Indicators	NSB Timelines	90	N.A	Achieved
	NSB Utilizations	90	97.70	Achieved
	Data Health	90	93.40	Achieved
	Sufficiency of Toilet	55.1	90.94	Achieved
Monitoring & Management Indicators	School Hygiene	80	85.09	Achieved
	Partial Facility	1	1.4	Achieved
	On time Resolution	90	100	Achieved

(Source: Data retrieved from PMIU Data Pack up to May 2019)

In view of the above target achievement table it is concluded that DEA Faisalabad achieved its targets regarding teacher attendance, retention of students and complaint resolution. Furthermore, presence of partial facilities in some schools meant that some schools still lacked drinking water, furniture and toilet facilities, which are basic minimum requirements. It was observed that development funds amounting to Rs 58.648 million were not utilized and lapsed during the financial year. These were core indicators which were not achieved which meant that administration failed to deliver to the best for meeting these targets.

DEA failed to achieve the targets regarding issues i.e. availability of boundary walls and student attendance as given in table below:

Detail of Missing Facilities in Public Sector Schools as on 30.06.2019

(Figures in Nos.)

Category of Missing Facility	Description	Girls Schools	Boys Schools	Total
Missing Boundary Wall	No. of Schools Having Missing B/Wall	01	26	27
Missing Class Rooms	No. of Schools Facing Shortage of C/Rooms	505	298	803
	No. of Missing Class Rooms	548	899	1,447
Missing Furniture	No. of Schools Facing Shortage of Furniture	32	29	61
	No. of Students for whom furniture is not available	4,685	3981	8,666

(Source: Data provided by CEO, DEA Faisalabad)

There are 27 schools without boundary walls which include one girls' school. There is also shortage of 1,447 class rooms for 803 schools and 8,666 students were without necessary furniture during 2018-19. This portrays a gloomy picture for state of education in public sector in district Faisalabad.

b) Serious Financial Irregularities and Findings:

The compliance with authority audit has shown that overall financial management of DEA Chiniot was poor and serious lapses were observed which have highlighted the need for improving the internal controls and financial discipline. Some key issues are given below:

- i. Fraud and Misappropriations involving an amount of Rs 2.306 million was reported in one case
- ii. Irregularities related involving an amount of Rs 88.443 million were noticed in 12 cases
- iii. Others related irregularities involving an amount of Rs 1,890.461 million were noticed in 23 cases

Audit observations involving procedural violations including internal control weaknesses and other irregularities not considered worth reporting to the Public Accounts Committee were included in Memorandum of Departmental Accounts Committee (MFDAC) Annexure-A.

c) Financial Attest Audit Findings

Further, following findings regarding financial management issues were also conveyed to the PAO during Financial Attest Audit of DEA Faisalabad of the financial year 2018-19.

- i. Non-transfer of receipt – Rs 103.218 million
- ii. Non-reporting of Fixed Assets – Rs 90.873 million
- iii. Incorrect data in SAP

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and

Finance Department. However, these issues have been reported in audit certificate/ report of DEA, Faisalabad as emphasis of matter.

2.2.6 Conclusion:

The overall financial management regarding achievement of budget utilization was not satisfactory as more than 9% funds of Non-Development budget were lapsed while DEA could not utilize 18% funds of Development budget. The performance of DEA was also not satisfactory in compliance of rules and regulations regarding expenditure and irregularities amounting to Rs 1,984.570 million were pointed out during audit of 2018-19.

The overall performance of DEA Faisalabad was also not up to the mark as the availability of boundary wall for all schools could not be ensured and 27 schools were without boundary walls. It was also noticed that Rs 58.648 million were lapsed during the year which could have been utilized to provide the missing facilities. The utilization of Non-Salary Budget was also not achieved and funds could not be utilized during the year. Thousands of students were without fundamental facilities such as desks and tables, while scores of schools were operating without class rooms and with partial facilities.

9.1.1 Audit Paras

9.1.1.1 Non-transfer of receipt – Rs 103.218 million

Risk Categorization: High

Criteria

According to Section 3.3.7.7 of Manual of Accounting Principle (MAP), where an entity acts as an agent the revenues or expenses should not be recorded in the primary books of account other than as a matter of stewardship. For example, an entity collecting taxes will not normally control the future economic benefits embodied in the tax collections and as such would not recognize the taxes as revenues of the entity. The entity may however recognize “taxes collected on

behalf of the Government” as subsidiary information on the overall performance of the entity.

Observations

During Financial Attest Audit of District Education Authority, Faisalabad for the period 2018-19, it was observed that District Accounts Officer, Faisalabad collected different receipts on behalf of the Federal and Provincial Government against various GL Accounts during 2018-19. However, the same were not transferred to the concerned Governments as compared to actual collection amount. The details are given below:

(Amount in Rupees)

Sr. No.	GL Account	Description	Opening Balance / Previous Year's Receipt	Receipt during the year	Payment made during CFY	Balance not Transferred
1	B01132	Surcharge	1,463	1,463	0	2,926
2	B01603	Deduction at Source (Professional Tax)	1,785,700	2,337,700	1,785,700	2,337,700
3	B02385	Sales Tax on services (Punjab)	2,098,872	4,328,639	2,098,872	4,328,639
4	E02501	House Building Advance	98,028	182,976	0	281,004
5	G06103	General Provident Fund (Civil)	60,488,887	722,062,079	722,129,892	60,421,074
6	G06215	District Govt. Employee B.F	18,525,245	222,269,991	222,235,240	18,559,996
7	G06411	District Govt. Employee Insurance Fund	2,352,267	27,729,855	27,734,272	2,347,850
8	G11278	Contribution to GSHF from members	2,935,000	33,911,157	31,594,457	5,251,700
9	G12713	Income Tax deduction from salaries	10,317,754	25,117,779	30,891,290	4,544,243
10	G12714	Income Tax deduction from suppliers	6,894,221	9,197,118	11,754,262	4,337,077
11	G12777	Sales Tax deduction at source	615,795	1,115,845	926,209	805,431
Total			106,113,232	1,048,254,602	1,051,150,194	103,217,640

Implications

Booking of liabilities in consolidated fund receipt resulted in overstatement of DEA receipts and non-transfer of receipts resulted in undue creation of liabilities in DEA accounts.

Recommendations:

Audit recommends transfer of receipts to the governments concerned at the earliest.

Management Response:

The balances under these heads could not be transferred due to insufficient cash balance in Account-V of DEA, Faisalabad during 2018-19. Now the balance under object code G12713, G12714 & G12777 have been transferred to the FBR. The remaining balances could not be transferred due to insufficient cash balance in current financial year.

Further Audit Comments:

The reply was not tenable because according to Rule 2(v) of the Punjab District Authorities (Accounts) Rules, 2017, "Public Account" means receipts and amount collected by a District Authority on behalf of other parties as trust for a special purpose and not available for appropriation. However, the cash position of the Authority as on 30th June, 2019 shows that funds out of Public Account were utilized for operations of DEA. Audit stressed to transfer all the receipts to the concerned departments besides provision of justification for utilization of funds out of Public Account.

DAC directed to transfer the balances to concerned departments / Governments.

9.1.1.2 Non-reporting of Fixed Assets – Rs 90.873 million

Risk Categorization: High

Criteria

According to Section 13.4.1.1 of the APPM, the categories of assets shall include land & building, civil works, plant & machinery, vehicles, furniture & fixtures, office equipment and computer equipment. Further according to Section 13.4.5.2 of the ibid, all DAOs shall prepare a fixed asset report from the fixed asset account on quarterly basis. Furthermore, according to Section 13.4.5.4 of ibid, the AG shall consolidate the above information for including to the annual accounts.

Observations:

District Accounts Officer, Faisalabad made payments amounting to Rs 90.873 million under GL Account A09 & A12 for procurement of assets and execution of civil works by the District Education Authority during 2018-19. Contrary to the above referred Section of APPM, the expenditure was not included in statement of Capital Expenditure and asset side of Balance Sheet.

Implications:

Non-reporting of Fixed Assets resulted in violation of above mentioned Principle and actual financial position of the entity was not represented in the accounts.

Recommendations:

Audit recommends justification besides reporting of Fixed Assets in Balance Sheet.

Management response:

Expenditure on account of purchase of assets under major heads A09 and A12 is mentioned in the books of accounts. However, the complete detail of fixed assets of the authority is not available in this office. The concerned authority would be requested to provide the requisite detail of all their assets so that fixed assets register be maintained.

Further Audit Comments:

The reply is not tenable because Fixed Assets were not reported in subsidiary accounts / Balance Sheet of the Authority.

DAC directed Deputy Director (B&A) to provide details of fixed assets of DEA, Faisalabad for incorporation in subsidiary accounts / Balance Sheet of DEA in future.

9.1.1.3 Incorrect data in SAP**Risk Categorization: High****Criteria**

According to the Section 4.6.12.13 of Accounting Policies and Procedures Manual, the supervising payroll officer shall check that all amendments to payroll are accurate and there are no unauthorized amendments.

Observations

During Financial Attest Audit on the account of DEA, Faisalabad different errors in the data provided in SAP HR were observed. The details are as under:

Sr. No.	Description	Explanation
1	Mis-match of CNIC No. with gender	If the last digit of CNIC is even, it is meant for a female and if the last digit of CNIC is odd, it is for male. Audit observed from scrutiny of SAP HR data of District Education Authority, Faisalabad that last digit of CNIC Numbers of different employees were not matching to their gender.
2	Old NIC numbers in CNIC field	It was observed that CNIC number of different employees were not mentioned in the CNIC field. Instead of CNIC old NIC numbers are mentioned which are no longer valid in current period.
3	Incorrect Date of Joining	Date of Joining in the SAP data is mentioned as 02.12.1887 against personnel No. 30025176

Implications:

- Overpayment due to weak financial management by the DAO.
- Weak control on the part of District Accounts Office.
- No check and balance on HR data.

Recommendations:

Audit recommends correction of data besides linking of SAP with NADRA for verification of CNIC at the time of hiring and already hired employees / pensioners under intimation to audit.

Management Response:

In this regard it is informed that this office has already established a section of Payroll verification and all the DDO's have been requested to verify the data of all the employees under their administrative control. It is assured that necessary rectification would be made as and when the requisite information is received.

Further Audit Comments:

Audit stressed upon correction of personal data in SAP at the earliest and report progress to Audit. Further, Audit recommends linking of SAP with NADRA for verification of CNIC at the time of hiring and already hired employees / pensioners.

DAC directed to make necessary corrections in SAP data and report progress to Audit.

9.1.1.4 Payment of NSB funds to various schools without pre-audit – Rs 1,418.613 million

According to Section 4.2.1.2 of the APPM, sanction of expenditure, preparation of claim voucher (bill) for payment (except for salaries and wages), approval of expenditure, registration of purchase order/claim voucher, certification (pre-audit) of claims, authorization of payment and recording of expenditure in the

accounting records are the key steps required to be followed in all expenditure transactions.

Audit observed that CEO, DEA, Faisalabad credited funds amounting to Rs 1,418.613 million through bank advice to the School Council accounts of various Primary/Elementary/High and Higher Secondary Schools, working under his administrative control. However, funds were transferred in the School Council's bank accounts after withdrawal from treasury on simple receipt form without pre-audit. Further, vouched accounts were also not submitted to the District Account Office for scrutiny.

Audit is of the view that due to poor financial management, funds were transferred to the bank accounts of School Councils without pre-audit and vouched accounts were also not submitted to District Account Office.

Transfer of funds amounting to Rs 1,418.613 million without pre-audit resulted in violation of rules.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority, under intimation to Audit.

[AIR Paras: 8, 3, 8]

Chapter 2

DEA Faisalabad

9.2.1 Introduction

District Education Authority, Faisalabad was established on 01.01.2017 under Punjab Local Government Act 2013. DEA, Faisalabad is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

Chief Executive Officer (CEO) is the Principal Accounting Officer (PAO) of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the DEA is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

DEA Faisalabad manages following educational facilities and institutes:

Description	No. of Education Institutes
Chief Executive Officer (Education)	01
District Education Officer (Secondary)	01
District Education Officer (Elementary Male)	01
District Education Officer (Elementary Female)	01
District Education Officer (Literacy)	01
District Education Officer (Special Education)	01
Deputy District Education Officer (Secondary)	03
Deputy District Education Officers (Elementary Male)	06
Deputy District Education Officers (Elementary Female)	06
Higher Secondary Schools (Boys & Girls)	63
High Schools (Boys & Girls)	468
Special Education Schools / Centers	17
Elementary Schools	483
Primary Schools	1195
Total	2246

(Source: Data provided by CEO, DEA Faisalabad)

The following table shows detail of total & audited formations of DEA Faisalabad:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure Audited FY 2018-19	Revenue/Receipts Audited FY 2018-19
1	Formations	565	07	720.994	-
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities/Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

9.2.2 Comments on Budget & Accounts (Variance Analysis)

To achieve the targets assigned to the PAO by Government of the Punjab, financial resources as given below were made available to CEO DEA Faisalabad during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Non-Development (Salary + Non-Salary)	18,745.555	16,929.350	-1,816.205	9.69%
Development	316.647	257.999	-58.648	18.52%
Total	19,062.202	17,187.349	-1,874.853	9.84%
Receipts	0.000	23.775	23.775	0.00%

(Source: Appropriation Accounts 2018-19)

Analysis of budget and expenditure indicated that:

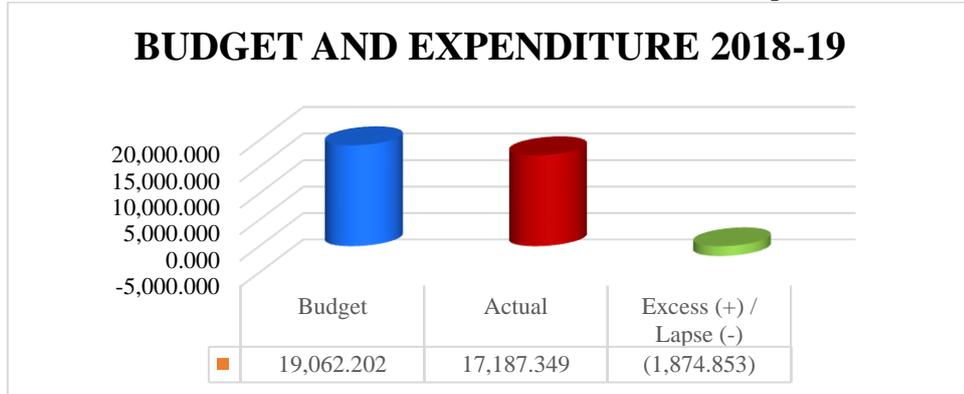
- An amount of Rs 18,745.555 million was provided for salary and non-salary expenditure. A massive lapse of Rs 1,816.204 million was observed, which accounts for 9.69% of the total budget.
- An amount of Rs 316.647 million was provided for development schemes, out of which an amount of Rs 257.999 million was utilized.

The department did not utilize funds in a timely manner, resulting in a lapse of Rs 58.648 million i.e. 10%.

- c. The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2018-19.

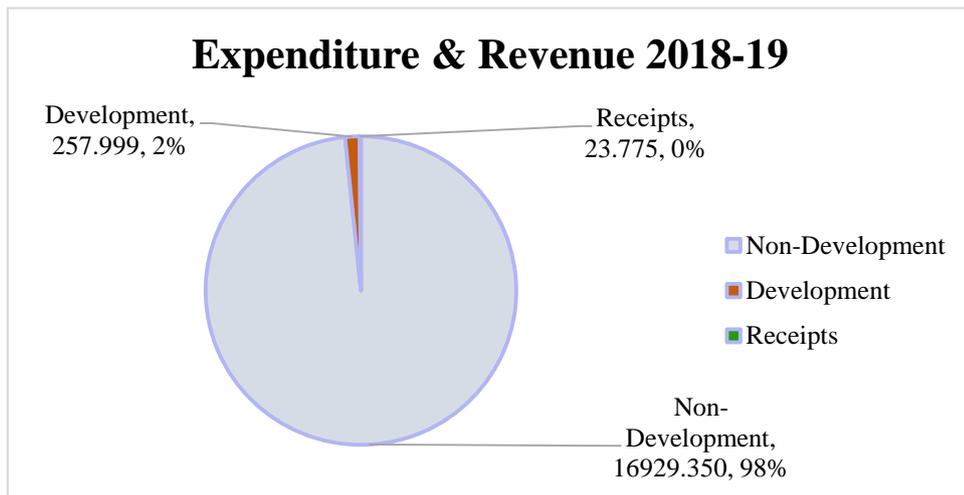
Graphical presentation of budget & expenditure is given below:

(Rupees in million)



Graphical presentation of expenditure and revenue is as under:

(Rupees in million)



9.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 1,981.210 million were raised as a result of this audit. This amount also includes recoverable of Rs 100.492 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount
1	Non-production of record	0
2	Reported cases of fraud, embezzlement and misappropriation	2.306
3	Irregularities	0
3A	HR/Employees related irregularities	61.567
3B	Procurement of related irregularities	26.876
3C	Management of Accounts with Commercial Banks	0
4	Values for money and service delivery issues	0
5	Others	1,890.461
	Total	1,981.210

9.2.4 Comments on the Status of Compliance with PAC directives

The Audit Reports pertaining to following year were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee so far.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	15	PAC not constituted
2	2018-19	31	PAC not constituted

9.2.5 Audit Paras

9.2.5.1 Fraud and Misappropriations

9.2.5.1.1 Embezzlement of Government revenue by less declaration of Sales and issuance of fictitious Tax CPRs – Rs 2.306 million

According to Section 153(1) and 1(c) of the Income Tax Ordinance, 2001, every prescribed person while making a payment in full or part shall deduct tax from the gross amount payable at the rate specified in Division III of Part III of the First Schedule. Further, according to Section 2(2) of Sales Tax Special Procedure (Withholding) Rules, 2007, withholding agents falling under category “A” were required to deduct an amount equal to 1/5th (20 percent) of the total Sales Tax shown in Sales Tax invoice issued by registered persons, whereas, on purchase of taxable goods from unregistered persons, Sales Tax was required to be deducted at the applicable rate of the value of taxable supplies. According to Rule 2.33 of the Punjab Financial Rules, Volume-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by the Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

Audit observed that 62 schools procured different items from M/s Madni Traders amounting to Rs 12.120 million during 2018-19, while as per record of Federal Board of Revenue supplier declared lesser amount of sales which lead to embezzlement of Income Tax of Rs 0.545 million and Sales Tax of Rs 1.761 million. Further, verification of selected sample of Sales Tax Computerized Payment Receipts (CPRs) from the website of the Federal Board of Revenue (<https://e.fbr.gov.pk/DocumentVerification.aspx>) showed that supplier provided bogus CPRs to Heads of Schools. Resultantly, supplier embezzled the amount of Tax of Rs 2.306 million. The details are given in following table:

(Rupees in million)

Sr. No.	Description	Amount of Procurement	Rate of Tax	Amount of Tax Embezzled
1	Income Tax	12,119,759	4.5%	0.545
2	Sales Tax	12,119,759	17% (17/117)	1.761
Total				2.306

Audit is of the view, that due to weak monitoring mechanism and non-compliance of Tax laws, supplier embezzled the amount of Sales Tax through provision of bogus CPRS to the heads of schools.

Provision of bogus CPRs to the heads of schools by the supplier resulted in loss to Public Exchequer amounting to Rs 2.306 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to inquire the matter through FBR for recovery of embezzled amounts besides blacklisting of firm and strict disciplinary action against the incumbent(s) at fault.

[AIR Para: 5]

9.2.5.2 Irregularities

9.2.5.2.1 Loss due to late regularization of services of contract employees – Rs 30.195 million

According to Section 9 of the Punjab Regularization of Services Act, 2018, a contract employee, on regularization shall be allowed the initial stage of the respective pay scale and the increments earned by him during the contract appointment shall be converted into Personal Allowance but no other privilege allowed to a contract employee shall be admissible.

Audit observed that services of 538 employees working under the administrative control of different DDOs of DEA Faisalabad were regularized w.e.f. 19.04.2019 instead of 01.05.2018 which resulted in payment of inadmissible Social Security Benefit amounting to Rs 30.195 million.

Audit is of the view that due to poor management, regularization of the contract employees was delayed for one year.

Delay in regularization of services of contract employees resulted in loss of Rs 30.195 million to DEA.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to recover Rs 30.195 million from the regularized teachers at the earliest.

[AIR Paras: 2, 2]

9.2.5.2.2 Unauthorized payment of pay and allowances without entitlement – Rs 19.435 million

According to Rule 1.15(2) of the Punjab Travelling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time. Further, the services of educators

appointed against the posts which were advertised prior to 19.10.2009 but appointed/joined after 19.10.2009 were regularized w.e.f. 10.09.2011 vide School Education Department letter No.SO(SE-III)02-16/2007 dated 10.09.2011 and pay of these employees was required to be fixed as a fresh appointee. Furthermore, according to Rule 2.31 (a) of PFR Vol-I a drawer of bill for pay, allowances, contingent and other expenses will be responsible for any overcharges, frauds and misappropriation.

Audit observed that seven DDOs of District Education Authority Faisalabad made excess payment of pay and allowances amounting to Rs 19.435 million to 1,440 employees due to non-deduction of inadmissible Conveyance Allowance and payment on account of inadmissible risk / mobility Allowance, Adhoc Allowances and increments in Basic Pay. The details are as under:

(Rupees in million)

Sr. No.	Name of DDO / Office	Description	No. of Employees	Amount
1	Chief Executive Officer, District Education Authority, Faisalabad	Payment of pay & allowances after regularization of services	116	16.787
2	Headmaster, Government Crescent Modal Higher Secondary School, Faisalabad	Withdrew pay & allowances after transfer	01	0.444
		Payment of Conveyance Allowance and non-deduction of 5% House Rent due availing Government Accommodation within work premises	02	0.216
3	Principal Government M.C Girls Higher Secondary School, Samanabad	Inadmissible Risk Allowance	01	0.010
4	Deputy District Education Officer (EE-W), City Faisalabad	Inadmissible Cash Reward	16	0.225
5	Principal Government Sabria Sarajia Higher Secondary School Peoples Colony No.2, Faisalabad	Social Security Benefit and Adhoc Relief Allowances	06	0.277
		Inadmissible payment of Conveyance Allowance / Special Conveyance Allowance	74	0.227
		Inadmissible payment of Charge Allowance, Conveyance	01	0.006

Sr. No.	Name of DDO / Office	Description	No. of Employees	Amount
		Allowance and Mobility Allowance		
6	Principal, Government MC Higher Secondary School Allama Iqbal Road, Faisalabad	Social Security Benefit and Adhoc Relief Allowances	01	0.029
7	Deputy District Education Officer (EE-M), Sadar Faisalabad	Paid Conveyance Allowance during winter vacation	1,218	0.954
		Paid pay and allowances after termination	02	0.075
		Paid Social Security Benefit after regularization	02	0.185
Total			1,440	19.435

Audit is of the view that due to poor financial management, payment of inadmissible pay and allowances was made to the employees.

Payment of inadmissible pay and allowances resulted in excess payment to the employees amounting to Rs 19.435 million.

The matter was reported to the PAO and DDOs concerned in during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 19.435 million at the earliest from the employees concerned.

[AIR Paras: 9, 3, 4, 9, 1, 1, 4, 8, 7, 4, 8, 9]

9.2.5.2.3 Irregular expenditure without tenders/quotations – Rs 8.020 million

According to Rules 9 & 12 of the Punjab Procurement Rules, 2009/2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. A procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority. Furthermore,

according to Rule 59(b) of the Rules ibid, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees.

Audit observed that School Councils of 19 primary/elementary, high/higher secondary schools of DEA Faisalabad incurred expenditure of Rs 8.020 million for purchase of furniture, white wash, civil work material, marble, tuff tiles fitting etc. from local market during 2015-19. Contrary to the above, procurements were made either without calling quotations / tenders / advertisement on PPRA's website or cost of procurement was split by keeping cost of each purchase below the financial limit of Rs 100,000 to avoid tendering and Rs 50,000 to avoid quotations. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Description	Amount
1	Deputy DEO (EE-M), Sadar Faisalabad	12	Purchase of furniture	2.840
2	Deputy DEO (EE-W), City Faisalabad	5	Purchase of three seated benches, white wash, civil work material & labour etc.	1.530
3	Headmaster, Government Crescent Modal Higher Secondary School, Faisalabad	1	Purchase of furniture and fixture, weather shield, metallic paint, marble fitting, tuff tiles fitting etc.	1.825
4	Principal Government M.C Girls Higher Secondary School, Samanabad, Faisalabad	1	Various heads	1.825
Total		19		8.020

Audit is of the view that due to poor financial management, procurements were made without open competition.

Procurement without open competition resulted in mis-procurement and irregular expenditure of Rs 8.020 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

[AIR Paras: 6, 4, 5, 2]

9.2.5.2.4 Irregular expenditure on POL without using fleet cards – Rs 6.724 million

According to Government of the Punjab, School Education Department letter No.EDU(E&A) POL/2018-CT dated 14.03.2019, heads of all attached Departments, heads of field formations and all CEOs (DEAs) will use Fleet Cards for POL as per Government entitlements and no chit system for POL use was allowed at all. Furthermore, according to Government of the Punjab, Services and General Administration Department (Transport Pool) letter No. MTO(S&GAD)AT-II/2-9/2006 dated 26.12.2008, necessary arrangements be made for sealing of speedometers / milometers of all the vehicles under use in the Government offices to minimize the chances of pilferage / misappropriation of fuel.

Audit observed that three DDOs of District Education Authority Faisalabad incurred expenditure of Rs 6.724 million during 2018-19 for repair of vehicles and consumption of POL. However, procurement of POL was not made thorough fleet cards. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Description of Receipt	Amount
1	CEO, DEA Faisalabad	Incurred expenditure on POL without use of fleet cards	5.988
2	Deputy DEO (EE-M) Sadar, Faisalabad	Speedometer of the vehicles not sealed, no time of journey was mentioned in Log Book, Monthly average consumption detail was not available, certificate of repair was not obtained from motor vehicle examiner etc.	0.496
3	Deputy DEO (EE-W) City Faisalabad	Speedometer of the vehicles not sealed, no time of journey was mentioned in Log Book, Monthly average consumption detail was not available, certificate of repair was not obtained from motor vehicle examiner etc.	0.240
Total			6.724

Audit is of the view that due to poor financial management, POL was procured without using fleet cards.

Procurement of POL without use of fleet cards resulted in irregular expenditure amounting to Rs 6.724 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends regularization of expenditure from the Competent Authority.

[AIR Paras: 15, 13, 2]

9.2.5.2.5 Unauthorized payments through adjustments – Rs 6.600 million

According to Rule 2.20 of the Punjab Financial Rules, Volume-I, as a general rule every payment, including repayment of money previously lodged with Government, for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim. As far as possible, the particular form of voucher applicable to the case should be used.

Audit observed that Deputy District Officer (EE-M) Sadar of DEA Faisalabad made payment of Rs 6.600 million to different employees through adjustments in pay and allowances during 2018-19 without maintaining ancillary record.

Audit is of the view that due to poor financial management, pay and allowances were paid without maintaining supporting record.

Payment of pay and allowances through adjustment / without maintaining ancillary / supporting record resulted in unauthorized payment of Rs 6.600 million to the employees concerned.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends maintenance and provision of all the ancillary record for verification to Audit without further delay.

[AIR Para: 5]

9.2.5.2.6 Doubtful withdrawal of NSB funds through fictitious invoices - Rs 6.477 million

According to Rule 2.33 of the Punjab Financial Rules Volume-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

Audit observed that school councils of various elementary and primary schools of DEA Faisalabad, withdrew funds amounting to Rs 6.477 million during 2018-19 from Non Salary Budget of schools. These funds were withdrawn through fictitious billing without purchase and repair work from contractors/suppliers. Further, fake invoices were got prepared from so called suppliers by paying 2% service charges.

Audit is of the view that due to financial indiscipline and poor monitoring mechanism, NSB funds were withdrawn through fictitious invoices.

Withdrawal of NSB funds through fictitious invoices resulted in doubtful expenditure amounting to Rs 6.477 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to inquire the matter at appropriate level and to recover the excess payment made to suppliers.

[AIR Para: 7]

**9.2.5.2.7 Non-recoupment of expenditure incurred on second shift –
Rs 3.642 million**

According to Para 6 of Government of the Punjab, School Education Department letter No.SO (SE-OOO) 5-99/2016 dated 12.08.2016 read with letter No.SO(DEA)1-46/2017 dated 16.05.2017, PMIU will allocate additional funds through NSB to double shift schools for their requirements and smooth functioning.

Audit observed that School Councils of six schools of DEA Faisalabad paid stipend amounting to Rs 3.642 million to staff / teachers working in second shift from Non-Salary Budget allocated for contingency expenditure instead of separate allocation of funds for double shift schools. Further, no efforts were made for recoupment of expenditure from Project Monitoring and Implementation Unit.

Audit is of the view that due to poor financial management, efforts were not made for recoupment of funds from PMIU.

Non-recoupment of funds from PMIU resulted in additional burden of Rs 3.642 million on regular allocation for contingencies of schools.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recoupment of funds of Rs 3.642 million from PMIU amounting to Rs 3.642 million PMIU at the earliest.

[AIR Para: 6]

**9.2.5.2.8 Unauthorized withdrawal of funds without disbursement –
Rs 2.330 million**

According to Rule 2.10(b)(5) of Punjab Financial Rules Vol-I, authorities incurring expenditure should see that no money has been drawn from the treasury unless it is required for immediate disbursement

Audit observed that CEO, DEA Faisalabad withheld an amount of Rs 2.330 million in DDO bank account during 2018-19. The bank statement depicted closing balance of Rs 2.330 million as on 30.06.2019 in Account No.5010028866700021 maintained at Bank of Punjab. The amount was withdrawn from Government Treasury but the same was not disbursed and irregularly kept in DDO account which needs justification. The management did not provide relevant record for audit scrutiny.

Audit is of the view that due to poor financial management, funds were withdrawn and retained in DDO account without disbursement.

Withdrawal of funds amounting to Rs 2.330 million without disbursement resulted in blockage of public money.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to inquire the matter at an appropriate level and deposit of retained funds into Government treasury besides regularization of the matter.

[AIR Para: 1]

9.2.5.2.9 Non-deduction of Income and Sales Tax – Rs 2.292 million

According to Section 153(1) of the Income Tax Ordinance, 2001, every prescribed person while making a payment in full or part shall deduct tax at prescribed rates. Further, according to Section 1.3 of the Sales Tax Special Procedure (Withholding) Rules, 2007, withholding agents falling under category “A” were required to deduct an amount equal to 1/5th (20%) of the total Sales Tax shown in Sales Tax invoice issued by registered persons, whereas, on purchase of taxable goods from unregistered persons, Sales Tax was required to be deducted at the applicable rate of the value of taxable supplies. Furthermore, according to Rule 5 of the Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent, having Free Tax Number (FTN) or National Tax

Number (NTN), shall on receipt of taxable services from an unregistered service provider, deduct Sales Tax at the applicable rate of the value of taxable services provided to him.

Audit observed that School Councils of 29 primary/ elementary/high/higher secondary schools working under the administrative control of District Education Authority, Faisalabad made payments against supply of goods, rendering of services during 2008-19. Contrary to the above provisions, an amount of Rs 2.245 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not / less deducted from the payments. Further, an amount of Rs 0.047 million on account of GST was either paid on exempted supplies or taxes were paid out of NSB funds. **(Annexure-D/FSD)**

Audit is of the view that due to poor financial management, taxes were not deducted/withheld at specified rates before making payments.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 2.292 million to the suppliers / service providers/contractors concerned.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of taxes amounting to Rs 2.292 million from the concerned.

[AIR Paras: 6, 4, 5, 6, 3, 3, 5, 4, 8, 23, 19]

9.2.5.2.10 Unauthorized withdrawal of funds from pension account – Rs 1.695 million

According to Rule 8(b) of the Punjab District Authorities (Accounts) Rules, 2017, rule, 02 custody of local fund, operation of Bank Account, maintenance of accounts and forms. The pension fund Bank account of local government employees adjusted in erstwhile City District Government and

District Government shall be operated by the Chief Executive Officer and Budget and Accounts Officer jointly.

Audit observed that record maintained by Chief Executive Officer, District Education Authority, Faisalabad showed that DDO maintained two signatory pension fund account during 2018-19. An amount of Rs 1.695 million was withdrawn from DDO code FY 6818 through single signatory and without signature of Chief Executive Officer DEA, Faisalabad which resulted in unauthorized withdrawal of funds.

Audit is of the view that due to poor financial management, funds were drawn from pension accounts without signatures of CEO.

Withdrawal of funds without signatures of CEO resulted in unauthorized allocation and withdrawal of funds amounting to Rs 1.695 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends regularization of matter from competent authority.

[AIR Para: 6]

9.2.5.2.11 Unauthorized withdrawal of Conveyance Allowance – Rs 1.303 million

According to Rule 1.15(2) of the Punjab Travelling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the Conveyance Allowance is attached and will not be admissible during leave or joining time.

During Financial Attest Audit on the accounts of District Education Authority, Faisalabad for 2018-19, it was observed that different employees withdrew Conveyance Allowance and Special Conveyance Allowance without admissibility during summer / winter vacations. The details are as under:

(Rupees in million)

Sr. No.	Description	Amount	Remarks
1	Conveyance Allowance during summer / winter vacation	1.173	Detail attached in Annex
2	Special Conveyance Allowance during summer / winter vacation	0.130	Detail attached in Annex
Total		1.303	

Overpayment to the concerned employees due to weak internal/financial control on the part of District Accounts Office.

It was replied that recovery of unauthorized withdrawal of conveyance allowance would be initiated from salaries of all the concerned employees through payroll from this month i.e. October, 2019. Audit stressed upon recovery of overpaid amount from the concerned at the earliest. DAC directed to recover the overpaid amount from the concerned at the earliest and report progress to Audit.

Audit recommends recovery of the amount from the concerned at the earliest.

[Management Report Para]

9.2.5.2.12 Non-maintenance of consumption record – Rs 1.033 million

According to rule 15.4(a) and 15.5 of the PFR, Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken and they should be kept in charge of a responsible Government servant. The receiving government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers. When materials are issued, a written acknowledgement should be obtained from the person to whom they are ordered to be delivered or dispatched and when materials are issued from stock for departmental use, manufacture or sale, etc., the government servant in charge of the stores should see that an indent in PFR Form 26 has been made by a properly authorized person.

Audit observed that Heads of various primary and middle school working under the administrative control of Dy. DEO (EE-M), Sadar made purchases of the furniture, uniform, repair of building, UPS and celebration of different events valuing Rs 05.93 during 2018-19. Further expenditure amounting to Rs 1.695 million was incurred from pension fund maintained by CEO, DEA Faisalabad but the payment voucher amounting to Rs 0.593 million and accountable consumption record was not maintained/produced along with requisitions and sanctions by the competent authority. Purchase and consumption of these items was held doubtful as stock registers are not showing the receipts and consumption of articles.

Audit is a view that due to weak financial controls, the receipts and consumption record of articles was not maintained.

Purchase and consumption of store items without stock entries resulted in doubtful expenditure of Rs 1.033 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter and maintenance of stock register besides regularization of the matter.

[AIR Paras: 11, 16, 7]

9.2.5.3 Others

9.2.5.3.1 Non-provision of funds for construction of boundary walls – Rs 163.462 million

According to Punjab District Authorities Budget Rules, 2017 Rule, 02 (kk) Principal Accounting Officer means Chief Executive Officer of a District Authority of a District responsible for completing business process from formulation to utilization to the prescribed manner and accountable to the Public Accounts Committee in respect of financial and budgetary matter of District Authority offices and institution under the management of District Authority

Audit observed that twenty-seven elementary and primary schools of District Faisalabad were boundary less due to non-provision of funds by the education Authority which deprived thousands of students from fundamental facilities. The funds amounting to Rs 163.462 million were not provided by the Government.

Audit is of the view that due to weak financial management, funds were not provided for missing facilities to the students

Non-construction of boundary walls of schools resulted in deprivation of the students from basic facilities and quality of education.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to take up the matter with Government without further delay for provision of funds for missing facilities.

[AIR Para: 13]

9.2.5.3.2 Irregular expenditure for works executed against defective agreements – Rs 70.308 million

According to Rule 63(b) of the Punjab Procurements Rules, 2014 a procurements contract shall come into force from the date on which the signature

both, the procuring agency and successful bidder, are affixed to the written contract and such affixing of signatures shall take place within a reasonable time. Further, according to condition No.4 of the acceptance letter, the running payments were only to be released after execution/signing of contract agreement. Furthermore, according Clause-6 of the contract agreement, the contractor shall enter into and execute a contract agreement in a form as per specimen provided in the contract form for execution of work.

Audit observed that CEO DEA Faisalabad got executed development works costing Rs 70.308 million through Executive Engineer, Buildings Division Faisalabad. The scrutiny of record showed that stamp papers were purchased after the execution dates of contracts and even after lapse of stipulated completion period which showed that agreements were signed after execution of works. Signing of agreements lead to non-transparent award of works which need justification. Further, no record was provided related to design, specifications, technical sanctions, measurement books and inspection reports.

Audit is of the view that due to poor managerial controls, payments were made against defective agreements.

Payment against defective agreements resulted in irregular payment of Rs 70.308 million to the contractors.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides physical verification of civil works and regularization of the expenditure from the Competent Authority.

[AIR Para: 18]

9.2.5.3.3 Undue retention of public money in DDO bank accounts – Rs 43.672 million

According to Rule 2 of the Punjab District Authorities (Budget) Rules, 2017, Principal Accounting Officer means Chief Executive Officer of a District

Authority who is responsible for completing business process from formulation to utilization in the prescribed manner and accountable to the Public Accounts Committee in respect of financial and budgetary matters of offices and institutions under the management of District Authority. Further, according to Rule 12(b)(iv) of the Rules *ibid*, the Budget and Accounts Officer shall maintain drawing and disbursing officer's cash book of receipt and expenditure of a District Authority and general cash book of a District Authority, its offices and institutions.

Audit observed that huge balance amounting to Rs 43.672 million was available in two DDO bank accounts of DEA Faisalabad. Detailed scrutiny of bank statement of Account No.0308-CD-004211-000-3 maintained at Bank of Punjab GC University Faisalabad Branch reflected that funds transferred to different schools were returned back into the DDO bank account due to unknown reasons. The funds accumulated for the period of time and were never transferred back to the schools. Further, an amount of Rs 1.499 million was withdrawn from bank account but bank statement showed that funds were returned in clearing for which relevant record was not shown to Audit. The closing balance available in the bank account on 22.07.2018 was Rs 19.783 million. Furthermore, closing balance of Rs 23.889 million as on 18.12.2018 was available in bank account No.501002866700065 maintained at Bank of Punjab D-Ground Branch Faisalabad. These funds were never utilized nor transferred and withheld in DDO bank accounts without authority.

Audit is of the view that due to poor financial management, huge funds remained in banks which were neither utilized nor transferred.

Undue retention of funds in DDO bank accounts resulted in non-provision of desired benefits to public.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to inquire the matter at an appropriate level besides provision of all the record related to these bank accounts and deposit of unspent balances into Government treasury.

[AIR Paras: 12,8]

9.2.5.3.4 Incorrect maintenance of accounts of TMA Pension Fund – Rs 33.884 million

According to Section 2.2 of the Punjab Financial Rule, Volume-I, the entries in the Cash Book of the cheques drawn from the Audit Office or amount withdrawn from the treasuries should be compared and checked with the list of the Cheques or Treasury Schedules issued by the Treasury Office. A certificate to this effect be recorded in the Cash Book. At the end of each month the head of the 'office should personally verify the cash balance and record below the closing entries in the Cash Book a certificate to that effect over his dated signature specifying both in words and figures the actual cash.

Audit observed that TMA pension fund account showed closing balance of Rs of 33.884 million on 30.06.2019 whereas closing balance as per cash book was Zero. Further the summary of pension fund accounts balance provided by management was Rs 36.668 million which needs justification. The details are as under:

(Rupees in million)

Name of Funds	Bank Account No.	Name of Branch	Balance as per Bank Account	Balance as Per summary of TMA Pension Fund Account	Balance as per pension fund cash book
TMA Pension Fund	700018	Bank of Punjab D-Ground, Faisalabad	33.884	36.668	0

Audit is of the view that due to poor financial management, accounts balance did not show clear picture of accounts.

Doubtful maintenance of books of accounts resulted in unauthentic financial data depicted in accounts.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides reconciliation of pension fund accounts.

[AIR Para: 10]

9.2.5.3.5 Non preparation of final statement of works completed / finalized – Rs 28.096 million

According to Finance Department's letter No. RO(Tech) FD-1-2/83-VI dated 29/03/2005, final cost of the tender / payment shall be the same percentage above / below the amount of revised sanctioned estimate as were at the time of approval of the tender so as to pre-empt excess payment.

Audit observed that Executive Engineer (Buildings) Division No.2, Faisalabad awarded three (03) works for cost of Rs. 28.096 million to the contractors with percentage of 2.72% above, 2.75% above and 2.95% above on TS estimate / MRS rates respectively during 2018-19. Scrutiny of the account record indicated that the department did not prepare Final Statement of said works. The details are as under:

(Amount in Rupees)

Sr. No.	Name of work	W/o No. & Date	% Below/ above	Bill No.	Amount of Work Order
1	Re-construction of three class rooms at Govt. Boys Primary School Chak No. 121/GB Jaranwala	5298 dated 11/12/2017	2.75% above	4 th & Final Bill	3,862,150
2	Construction of three Class rooms etc. at Govt. Girls Elementary School Chak No.40/GB	7279 dated 11/12/2017	2.75% above	6 th & Final Bill	4,237,973
3	Up-gradation of Govt. of High School Chak No. 282/GB Jaranwala	94 dated 31/12/2016	2.95% above.	7 th Running Bill	19,995,893
Total					28,096,016

Audit is of the view that due to weak internal controls and monitoring mechanism, final statement was not prepared.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides provision of completion certificate in the form of final statement along with ancillary record for verification.

[AIR Para: 41]

9.2.5.3.6 Encroachment of Government/State land – Rs 24.150 million

According to Section 127(3) of the Punjab Local Government Act 2013, the successor local governments shall, subject to policy of the Government or contractual obligations, make bye-laws for the use, development and management of the local government properties.

Audit observed that land measuring 24 kanals and 03 marlas valuing Rs 24.150 million belonging to eight Government Elementary/Primary Schools under the administrative control of Deputy DEO (EE-M) Tehsil Sadar Faisalabad was encroached by illegal occupants. Authorities did not take action to get the Government/State land vacated from the illegal occupants. The detail is as under:

(Rupees in million)

Sr. No.	DDO	Area of Land		Rate Per Marla	Amount
		Kanal	Marla		
1	DDEO (EE-M), Sadar, Faisalabad	24	03	50,000	24.150

Audit is of the view that due to negligence and weak management, encroached Government/state land was not got vacated from the illegal occupants.

Encroachment of the Government/state land valuing Rs 24.150 million resulted in misuse of public resources by encroachers for personal benefit.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to lodge FIR against illegal occupants besides vacation of Government/State land from the land grabbers.

[AIR Para: 1]

9.2.5.3.7 Irregular award of work – Rs 21.869 million

According to the Government of Punjab Communication & Works departments letter No.SOH(C&W)1-10/2000 dated 24.02.2001, following schedule in connection with the acceptance of tenders have been finalized in Coord meeting dated 13/02/2001. The violation of schedule would lead to disciplinary action.

Sr. No.	Authority	Time frame acceptance / forwarding the lowest tenders
1	Executive Engineer	Within Twelve (12) days from the receipt of tenders.
2	Superintending Engineer	Within ten (10) days from the receipt of recommendation from Executive Engineer
3	Chief Engineer	Within ten (10) days from the receipt of recommendations from the Superintending Engineer.

Furthermore, according to clause 55 (8) of the contract agreement, no escalation will be admissible to the contractor for the period extended due to delay on the part of contractor.

Audit observed that Executive Engineer (Buildings) Division No.2 Faisalabad awarded a work “up-gradation of Government Boys High School Chak No. 282/GB) Jaranwala” at a cost of Rs 21.869 million after fourteen months from the date of tender received i.e. 07.11.2015. The work was not finalized in 2018-19 and the management paid the price variation of Rs 0.640 million to the contractor without any plausible reason. Further, the work relating to the construction of 9 class rooms (24*16) at Govt. Community Elementary school Chak No.61/GB Jaranwala” at a cost of Rs 9.118 million was awarded on

25.11.2017 while audit scrutiny showed that extension of same work was granted w.e.f 30.08.2017 to 30.12.2018 which depicted that awarding of contract was fraudulent. Furthermore, department paid price variation of Rs 0.111 million w.e.f March 2018 to May 2019 in 5th running bill after the expiry of stipulated period. The management did not impose any penalty for delay in completion of work, resultantly an amount of Rs 0.751 million was overpaid to the contractor on account of payment of price variation.

Audit is of the view that due to negligence of the part of management, work was awarded against the Government instructions / schedule and made overpayment on account of price variation amounting to Rs 0.751 million.

Awarding of work after granting extension resulted in irregular award of work of Rs 21.869 million and delay in completion of work resulted in unauthorized payment of price variation of Rs 0.751 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter for irregular award of contract besides recovery of price variation from the contractor.

[AIR Paras: 33, 40]

9.2.5.3.8 Irregular transfer and utilization of NSB funds through local bank account – Rs 14.833 million

According to Para 2.1 of Non-Salary Budget Guideline for High and Higher Secondary Schools, Non-Salary Budget being introduced for recurrent expenditures other than salary. Further, according to Para 2.5 of *ibid* and Para 2(c)(ii), High and Higher Secondary Schools shall submit their detailed head-wise budget as per circulated total NSB entitlements for inclusion in respective district budget. District budget shall include NSB funds on school specific basis as communicated by PMIU-PESRP with EMIS codes of schools in respect of High / Higher Secondary Schools. Further, according to Para 3 & 4 of *ibid*,

Headmaster / Headmistress will prepare long term plan and procurement plan. Furthermore, according to Para 2.4 of *ibid*, District Governments will not utilize NSB fund for the purpose other than specified. Schools could use this fund according to prescribed procedure through District Accounts Office.

Audit observed that two DDOs of District Education Authority, Faisalabad utilized funds under NSB amounting to Rs 14.833 million during 2015-19 through direct transfer instead of regular budget. NSB grant was utilized directly from local bank account, without submitting the bills to the District Accounts Office. Further, expenditure was incurred without preparation of long-term plan and procurement plan. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Headmaster, Government Crescent Modal Higher Secondary School, Faisalabad	7.450
2	Principal Government M.C Girls Higher Secondary School, Samanabad, Faisalabad	7.383
Total		14.833

Audit is of the view that due to weak internal controls, prescribed procedure for NSB was not observed.

Non-observance of prescribed procedures for utilization of NSB fund resulted in irregular transfer and utilization of fund amounting to Rs 14.833 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority.

[AIR Paras: 1, 1]

9.2.5.3.9 Utilization of bricks without ensuring standard quality – Rs 14.399 million

According to the composite schedule rate CSR)-1964, Standard crushing strength for 1st class bricks is 2000 per square inch (PSI). Further, according to Superintending Engineer Provincial Building Circle Faisalabad letter No. 3054-58/CO dated 23.06.1999, the bricks Kiln owners mix the 1st class bricks with inferior quality bricks and supply the same to contractors who accept the same being in their benefit. Therefore, quality of bricks be got tested to ensure specified crushing strength of 2000 psi.

Audit observed that Executive Engineer (Buildings) Division No.2 Faisalabad executed 26 civil works for construction of buildings during 2017-19. Bricks costing to Rs 14.399 million were used but no methodology was adopted to measure strength, standard and specification of the bricks utilized. Therefore, in absence of proper testing of bricks at the time of execution the authenticity of utilization of 1st class bricks could not be verified.

Audit is of the view that due to weak internal controls, works were executed without ensuring specification, standards and testing of bricks.

Utilization of bricks costing Rs 14.399 million without ensuring required strength, quality and standard of bricks resulted in execution of substandard works.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends carrying out tests of bricks at the earliest besides regularization of the matter.

[AIR Para: 24]

9.2.5.3.10 Less deduction of Income Tax – Rs 12.223 million

According to Section 153 (1)(a) of the Income Tax Ordinance, 2001, Income Tax is required to be deducted at source before making payments against services rendered. The rate of withholding tax for non-filer is 15 percent. Further, according to Section 153(1)(c) of the ordinance *ibid*, Income Tax is required to be deducted at source before making payments against execution of Contracts. The rate of withholding tax for non-filer is 10 percent.

Audit observed that CEO DEA Faisalabad made payment of Rs 11.784 million to vendor against supply of goods but Income Tax amounting to Rs 0.471 million was less deducted from the payments made to the non-filer service providers (No proof regarding the status of payees, in respect of filer or non-filer, was forthcoming from the record). Further, payment of Rs 155.632 million was made to contractors for execution of contracts but Income Tax amounting to Rs 11.752 million was less deducted from the payments made to the non-filer contractors.

Audit is of the view that due to negligence on part of the management Income Tax was less deducted from the payments made to non-filers/ service providers.

Less deduction of Income Tax amounting to Rs 12.223 million resulted in loss to public exchequer.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of Income Tax amounting to Rs 12.223 million from the concerned at the earliest.

[AIR Paras: 35, 36]

9.2.5.3.11 Non-imposition of penalty for delay in completion of works – Rs 8.542 million

According to clause 39 (a) of contract agreement the time limit for carrying out the works as entered in the tender shall be strictly observed by the contractor. The contractor shall pay on compensation in an account equal to one percent of the amount of contract subject to a maximum of 10 % or such smaller amount as the engineer in-charge (whose decision in writing shall be final) may decide for every day that the work remains incomplete or unfinished after the proper date.

Audit observed that Executive Engineer (Building) Division No-2 Faisalabad awarded eleven civil works for construction of rooms and upgradation of schools and supply of ceiling fans during 2017-18. However, the contractors failed to complete the works within stipulated period provided in Agreement and education authorities did not impose penalty amounting to Rs 8.542 million for delay in completion of schemes. The details are given as under:

(Rupees in million)

Sr. No.	Name of Scheme	Work Order No./Date	Stipulated Completion Date	Contract Amount	Penalty @ 10%
1	Reconstruction of building for High portion 4700) GHS Chak No.107 RB Jaranwala	177-78/ 12.09.17	11.08.18	7.288	0.729
2	Establishment of GPS Chak 66 RB Jaranwala	4888/25.11.17	11.02.19	5.117	0.512
3	Upgradation of GGPS to Middle level Chak No.74 RB Jaranwala	4862/25.11.17	25.06.18	7.084	0.708
4	Reconstruction of 3 class room GHS Chak No.142 GB Sammundri	5273/11.12.17	11.06.18	4.946	0.495
5	Reconstruction of 5 class room GHS Chak No.566 GB Jaranwala	4928/25.11.17	25.05.18	6.407	0.641
6	Reconstruction of 1 class room at GGES Chak No.75 RB Jaranwala	0413/22.01.18	22.03.18	1.210	0.121
7	Upgradation of GGES to High	4870/25.11.17	25.08.18		

Sr. No.	Name of Scheme	Work Order No./Date	Stipulated Completion Date	Contract Amount	Penalty @ 10%
	level Chak No. 90 RB			8.008	0.801
8	Reconstruction of 6 class room GHSS Awagat Jaranwala	5284/11.12.17	11.10.18	8.684	0.868
9	Upgradation of GHS 282 GB	9410/31.12.16	31.08.17	218.697	2.187
10	Reconstruction of 1 class room at GHS Chak No.566 GB	417/22.01.18	22.03.18	1.044	0.104
11	Supply of ceiling fans 56" sweep (3440-NOSO)	2065-66/ 13.06.18	20.06.18	13.760	1.376
Total				282.245	8.542

Audit is of the view that due to poor financial management, payment of works was made without imposition of penalty for delay.

Non-imposition of penalty amounting to Rs 8.542 million resulted in undue favor to the contractors besides delayed envisaged benefits from the schemes.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of penalty amounting to Rs 8.542 million from the concerned at the earliest.

[AIR Paras: 25, 38]

9.2.5.3.12 Non-verification / non-reconciliation of receipts – Rs 6.180 million

According to Rule 13.4 of Punjab Budget Manual read with Government of the Punjab letter No. IT(FD) 3-4/2002-Vol-IV dated 18.03.2003, month to month reconciliation of all payments and receipts figures is required with the District Accounts Office.

Audit observed that two DDOs of DEA, Faisalabad realized admission/tuition fee from the students of FA, F.Sc., I.Com and ICS during

2008-19. Amount of Rs 6.180 million received from the students. The amount was shown deposited through challan forms (32A). However, these deposits were not got verified/reconciled from DAO, Faisalabad. In the absence of reconciliation of receipts, the authenticity of deposits cannot be relied upon. The details are given below:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Principal, Government MC Higher Secondary School Allama Iqbal Road, Faisalabad	4.547
2	Principal Government Sabria Sarajia Higher Secondary School Peoples Colony No.2, Faisalabad	1.633
Total		6.180

Audit is of the view that due to poor financial management, deposits were not reconciled with District Accounts Office Faisalabad.

Non verification / non reconciliation of receipts of Rs 6.180 million resulted in doubtful collection of revenue.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends verification / reconciliation of receipts at the earliest.

[AIR Paras: 5, 7]

9.2.5.3.13 Non recovery of miscellaneous receipts – Rs 4.260 million

According to Rule 68 (1) of the Punjab District Authorities (Budget) Rules, 2017, the primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority fund. Furthermore, according Para 11 (1) of the Punjab Private Educational Institutions (Promotion and Regulation) Ordinance, 1984, if an in-charge contravenes any provisions of the Ordinance or the rules, the Registering Authority may, subject to reasonable opportunity of defense, impose

administrative penalty which may extend to twenty thousand rupees per day from the date when the notice of contravention is served on the institution till such time that the contravention continues.

Audit observed that five DDOs of District Education Authority, Faisalabad did not make efforts to recover miscellaneous receipts amounting Rs 4.260 million on behalf of the Government during 2015-19. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Description of Receipt	Amount
1	CEO, DEA Faisalabad	Non-recovery of fine	0.457
			2.980
2	Deputy DEO (EE-M), Sadar, Faisalabad		0.038
3	Headmaster, Government Crescent Modal Higher Secondary School, Faisalabad	Non-deposit of auction money of canteen	0.672
4	Principal Government M.C Girls Higher Secondary School, Samanabad	Non-credit of profit in DEA fund	0.074
5	Principal, Government Sabria Sarajia Higher Secondary School Peoples Colony No.2, Faisalabad	Non-auction of unserviceable store items	0.039
Total			4.260

Audit is of the view that due to poor financial management, the Government receipt was not recovered.

Non-recovery of public receipt amounting to Rs 4.260 million resulted in loss to the public exchequer.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends immediate recovery of receipts besides regularization of the matter.

[AIR Paras: 7, 3, 10, 2, 10]

9.2.5.3.14 Irregular expenditure by School Councils and without approval of design and specification – Rs 4.162 million

According to Para 4.9.1 of the School Council Policy, 2007, School Council can incur expenditure up to Rs 400,000 during one financial year. Further, Section 4.4.7 of the School Council's Policy, 2007 read with Para 3.4.7 of Guidelines for Utilization of Non-Salary Budget (NSB) in Primary and Elementary Schools, development works shall be got executed according to the Government approved design and specifications.

Audit observed that School Council of Government Sabria Sarajia Higher Secondary School Peoples Colony No.2, Faisalabad incurred expenditure amounting to Rs 5.115 million against permissible limit of Rs 1.600 million. Further an expenditure of Rs 0.647 million was incurred on construction of toilet blocks and repair & maintenance of school building. The works were executed without preparation of detailed designs/estimates and approval of the same from the Competent Authority.

Audit is of the view that due to violation of Government instructions, excess expenditure was incurred than authorized/permissible limit and without approval of design and specification.

Incurrence of expenditure excess than authorized / permissible limit without approval of design and specification resulted in irregular expenditure amounting to Rs 4.162 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends regularization of expenditure from the Competent Authority.

[AIR Paras: 6, 2]

9.2.5.3.15 Loss due to non-recovery of General Sales Tax – Rs 3.293 million

According to FBR Letter / Notification No. 99638-R date 24.07.2013, in case of public works it is clearly directed that the contractor engaged, makes purchases from the firms / persons holding sale tax registration. The Govt. Dep./Organization while undertaking such venture must require contractors to present sales tax invoice of all materials mentioned in the BOQ as evidence its legal purchase, before releasing payment to contractors and 1/5th of sale tax applicable shall be deducted by Department.

Audit observed that CEO, DEA got executed 35 civil works from Executive Engineer (Buildings) Division No.2, Faisalabad. During scrutiny it was noticed that an amount of Rs 20.081 million was paid for fabrication works but did not deduct GST amounting to Rs 3.293 million from contractors.

Audit is of the view that due to negligence on the part of management, GST was not deducted.

Non-deduction of General Sales Tax resulted in loss to Government exchequer amounting to Rs 3.293 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of GST at the earliest.

[AIR Para: 34]

9.2.5.3.16 Non-maintenance of record for expenditure out of works contingency – Rs 2.902 million

According to para 82 of CPWD code that in addition to provision for all expenditure which can be foreseen 3% contingency should be added to the estimate to cover the cost of unforeseen contingencies. Further, according to para 2.26 of Buildings & Roads Department Code, all unforeseen expenditure should be met from the contingency of the work.

Audit observed that Executive Engineer (Buildings) Division No.2 Faisalabad made provision of 3% contingency in different civil works during 2017-19. However, no record was produced to Audit for verification of expenditure from contingencies of different works.

Audit is of the view that due to non-maintenance of record, the expenditure was not verified by Audit.

Non-maintenance of record resulted into non-verification of expenditure of Rs 2.902 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to provide contingency expenditure record for audit scrutiny.

[AIR Para: 42]

9.2.5.3.17 Irregular auction of canteen – Rs 2.827 million

According to Rule 13(1) the Punjab Procurement Rules, 2014, the procuring agency may decide the response time for receipt of bids or proposals (including proposals for pre-qualification) from the date of publication of an advertisement or notice, keeping in view the individual procurement's complexity, availability and urgency. However, under no circumstances the response time shall be less than fifteen days for national competitive bidding and

thirty days for international competitive bidding from the date of publication of advertisement or notice.

Audit observed that Principal Government MC Girls Higher Secondary School Samanabad of DEA Faisalabad auctioned the canteen during 2016-17 for fetching revenue of Rs 2.827 million. Contrary to the above, minimum response time of 15 days was not observed while auctioning the revenue generating facilities of school. The details are given below:

(Rupees in million)

Sr. No.	Head of Auction	Date of Advertisement	Date of Auction	Response Days	Auction Amount
1	School Canteen	18.08.2016	22.08.2016	5	1.150
2	School Canteen	02.09.2018	05.09.2018	4	1.677
Total					2.827

Audit is of the view that due to non-observance of advertised criteria, auction was held without giving proper response time.

Auction of canteen without observing requisite response time resulted in irregular auction valuing Rs 2.827 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of the matter from competent authority.

[AIR Para: 3]

9.2.5.3.18 Non-submission of GST Returns – Rs 1.818 million

According to Para 4(b) of the Sales Tax Special Procedure (Withholding) Rules, 2007, the DDO concerned shall prepare the return for each month and forward the same to the collector, by the 15th of the following month along with other tax liability. Furthermore, according to Section 4(3) of the Rules *ibid*, the collector shall periodically ensure that the suppliers mentioned in the return filed

by the withholding agents are filing returns and are duly declaring the supplies made to withholding agents.

Audit observed that two DDOs of District Education Authority, Faisalabad made procurements from different suppliers. Purchasing authorities, being withholding agent, either did not deduct or deducted 1/5th of Sales Tax but did not submit monthly returns to FBR. Resultantly, deposit of remaining 4/5th amounting to Rs 1.818 million by the suppliers, could not be verified. The details are given below:

(Rupees in million)

Sr. No.	DDOs	Description	No. of Schools	Amount
1	CEO, DEA Faisalabad	80 % of GST required verification	01	1.505
2	Deputy DEO (EE-W), City Faisalabad		07	0.313
Total			8	1.818

Audit is of the view that due to negligence, monthly returns for deduction of GST were not submitted.

Non-submission of monthly returns resulted in concealment of remaining amount of GST amounting to Rs 1.818 million by the suppliers.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends verification regarding deposit of remaining GST by the suppliers.

[AIR Paras: 39, 3]

9.2.5.3.19 Non-realization of revenue due to non-registration of private schools – Rs 1.807 million

According to Government of the Punjab, School Education Department letter No. SO(A-II)3-3/99(P) dated 22.01.2009, the initial period of registration of private institutions would be five years and each extension on fulfilling the

prescribed conditions would be for 10 years in case of self-owned buildings and for five years in case of rented buildings. Further, registration and annual inspection fee for each high / higher secondary school was Rs 7,000 and 1,000 respectively. Furthermore, registration and annual inspection fee for each elementary school was Rs 5,000 and Rs 500 respectively.

Audit observed that 314 private schools were opened / established in District Faisalabad. However, appropriate action was not taken for getting these private schools registered and realization of revenue amounting to Rs 1.807 million on account of registration fee and annual inspection fee. The details are given below:

(Rupees in million)

Category of Schools	No. of Schools	Registration Fee*		Annual Inspection Fee*		Total Amount
		Rate	Amount	Rate	Amount	
Primary and Middle	282	0.005	.1.410	0.0005	0.141	1.551
High & Higher	32	0.007	0.224	0.001	0.032	0.256
Total						1.807

Audit is of the view that due to weak monitoring mechanism, private schools were not got registered by Education Authorities.

Non-registration of private schools resulted in non-realization of revenue amounting to Rs 1.807 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends active pursuance of the matter for registration of the schools and realization of revenue.

[AIR Para: 17]

9.2.5.3.20 Library security not credited to lapsed library security fund – Rs 1.525 million

According to Library Rules issued by School Education Department, library security is required to be lapsed / credited to the lapsed library security fund after completion of two years of academic session of students.

Audit observed that library security amounting to Rs 1.525 million was lying at the credit of Government Sabria Sarajia Higher Secondary School Peoples Colony No.2, Faisalabad and Principal Government MC Higher Secondary School Allama Iqbal Road, Faisalabad in school fund. Unclaimed security deposits of library fund were not transferred / credited to account of lapsed library security fund.

Audit is of the view that due to weak internal controls, library security was not lapsed / credited to the library security fund account.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to credit the amount in relevant account, under intimation to Audit.

[AIR Paras: 9, 6]

9.2.5.3.21 Payment of quantities in excess of Technical Sanctioned estimates – Rs 1.339 million

According to Para 2.7 and 2.12 of Building and Road Department Codes, the construction cost, scope and specification of old schemes involving material deviation from the original proposal once approved cannot be modified without approval of competent authority.

Audit observed that CEO DEA Faisalabad got executed seven works from Executive Engineer (Buildings) Division No. 2, Faisalabad. The payment of various items of seven works provided in the technically sanctioned estimates/

agreements was made in excess amounting to Rs 1.339 million without the approval of deviation statement/revised estimate by the competent authority.

Audit is of the view that due to poor financial management, over payment was made to the contractors.

Excess payment amounting to Rs 1.339 million resulted in loss to the Government.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of overpaid amount of Rs 1.339 million at the earliest.

[AIR Para: 31]

9.2.5.3.22 Non-deduction of Social Security contribution – Rs 1.299 million

According to section 20(1) & (9) of the provincial Employees Social Security Ordinance, 1965, the competent public authority shall before financial settlement of the claim of contractor or licensee shall require the production of a certificate from the institution showing that the necessary contribution have been paid and in default of such certificate, it shall deduct from the amount otherwise payable in settlement of such claim @ 6 Percent and pay such amount directly to the institution.

Audit observed that CEO, DEA Faisalabad got executed various civil works of Education Department during 2018-19 through Executive Engineer (Buildings) Division No.2, Faisalabad. It was noticed that payments were made without obtaining certificates regarding payment of social security contribution of the workers employed by the contractors and did not deduct social security contribution amounting to Rs 1.299 million from the claims of the contractors before making payments. The details are given below:

(Rupees in million)

No. of Contractors	No. of Employees	Average wage rate	Total wage	Amount
22	264	0.082	21.648	1.299

Audit is of the view that due to weak internal control and lack of vigilance, social security contribution was not deducted.

Non-deduction of social security contribution resulted in excess payment of Rs 1.299 million to the contractors.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommended recovery of social security contribution amounting to Rs 1.299 million from concerned at the earliest.

[AIR Para: 21]

9.2.5.3.23 Payment of quantities not provided in TS estimates – Rs 1.154 million

According to Para 1.59 of Buildings and Roads Department Code read with condition 7 of technically sanctioned estimates, Divisional Officer are strictly prohibited from commencing the construction of any work or expended public funds without the sanction of Competent Authority, also from making or permitting any material deviation from any sanction design in the course of execution without specific authority.

Audit observed that DEA Faisalabad got executed three civil works for Construction/ Re-construction of classrooms during 2017-18 through Executive Engineer (Buildings) Division No. 2, Faisalabad. Contrary to above, the payments were made to the contractors against the items which were neither provided in technically sanctioned estimate nor executed.

Audit is of the view that to poor financial management, excess quantity was executed beyond the provision of estimates.

Execution of quantity beyond the provision of estimate resulted in excess payment of Rs 1.154 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of excess paid amount Rs 1.154 million at the earliest.

[AIR Para: 32]

10. District Education Authority (DEA) Jhang

Chapter 1

Public Financial Management Issues

Regional Directorate Audit Faisalabad conducts Financial Attest Audit of District Accounts Office Jhang on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

a) Analysis of Targets and Achievements:

Sectoral analysis of DEA Jhang were carried out on the basis of various quality indicators fixed by Education Department for the Financial Year 2018-19. These indicators were introduced, implemented and monitored through Program Monitoring & Implementation Unit (PMIU) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & their retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

b) Status regarding Indicators and their achievements for 2018-19

(Figures in Nos.)

Indicators	Sub Indicators	Target (%)	Achievement (%)	Remarks
Quality Indicators Literacy & Numeracy Drive (LND) Test Results	LND	82%	83.40%	Achieved
Core Indicators	Students Attendance	92%	92.07%	Achieved
	Teacher Presence	90%	95.54%	Achieved
	Head Teacher Presence	90%	95.26%	Achieved
	Availability of Boundary Wall	98%	92.02%	Not Achieved
	Availability of Drinking Water	95%	99.72%	Achieved
	Availability of Furniture	70%	82.07%	Achieved

Indicators	Sub Indicators	Target (%)	Achievement (%)	Remarks
	Classroom Observation	80%	93.61%	Achieved
Retention Indicators	Retention (K-12)	97%	99.37%	Achieved
Infrastructure Indicators	Safe Buildings	98%	99.25%	Achieved
	NSB Timelines	90%	N.A	N.A
	NSB Utilizations	90	95.63%	Achieved
	Data Health	90	89.08%	Not Achieved
	Sufficiency of Toilet	76.6	83.29%	Achieved
Monitoring & Management Indicators	School Hygiene	80%	83.44%	Achieved
	Partial Facility	1%	02.67%	Not Achieved
	On time Resolution	90%	100%	Achieved

(Source: Data retrieved from PMIU Data Pack up to May 2019)

DEA achieved its targets overall regarding teacher attendance, attendance and retention of students and dangerous buildings. But failed to achieve the targets regarding issues of infrastructure i.e. construction of boundary walls, data health, and partial facilities etc. Data for NSB timeliness was missing and results about performance in this area remain unclear. Overall, the Authority satisfied 81.2% targets leaving a significant room for improvement. It is prudent to point out that the target percentages for availability of furniture, sufficiency of toilets and school hygiene were lower than the benchmark of 90% across the board. Furthermore, existence of partial facilities in schools meant that some schools still lacked electricity, drinking water and toilet facilities, which are basic minimum requirements, while development funds amounting to Rs 58.726 million were not utilized and lapsed during the financial year.

DEA failed to achieve the targets regarding issues of infrastructure i.e. availability of boundary walls, toilets, class rooms, IT labs and furniture as given in table below:

Detail of Missing Facilities in Public Sector Schools as on 30.06.2019

(Figures in Nos.)

Category of Missing Facility	Description	Total
Missing Boundary Wall	No. of Schools Having Missing B/Wall	140
Dangerous Buildings	No. of dangerous buildings	75
Non-availability of toilets	No. of Schools for non-availability of toilets	640
Missing Class rooms	No. of Missing Class Rooms	673
Non-availability of IT labs	No. of Elementary schools for non-availability of IT labs	147
	No. of High/Higher Secondary schools for non-availability of IT labs	9
Missing Furniture	No. of Schools Facing Shortage of Furniture	480

(Source: Data provided by CEO, DEA Jhang)

There are 140 schools without boundary walls, 75 schools are functioning in dangerous buildings and 640 schools have no toilet block facility. There is also shortage of 673 class rooms in various schools, 156 elementary/high/higher secondary schools have no IT labs and 480 schools are facing shortage of furniture during 2018-19. This portrays a gloomy picture for state of education in public sector in District Jhang.

c) Serious Financial Irregularities and Findings:

- i. Non-production of record worth Rs 23.330 million was reported in 1 case.
- ii. Irregularities amounting to Rs 134.183 million were noticed in 17 cases.
- iii. Value for Money and Service Delivery Issues involving Rs 10.390 million was noticed in 1 case.
- iv. Other issues involving an amount of Rs 134.198 million were noticed in 9 cases.

Audit paras involving procedural violations including internal control weaknesses and other irregularities not considered worth reporting to the Public Accounts Committee were included in Memorandum of Departmental Accounts Committee (MFDAC) Annexure-A.

d) Financial Attest Audit Findings:

Further, following findings regarding financial management issues were also conveyed to the PAO during Financial Attest Audit of DEA Jhang for financial year 2018-19:

- i. Unauthorized credit of Provincial Government Receipts as District Education Authority Receipts – Rs 0.990 million.
- ii. Non-transfer of miscellaneous receipts – Rs 279.731 million.
- iii. Incorrect reporting of previous year figures in Finance Accounts – Rs 1025.961 million.
- iv. Unknown where about of Public Account Fund – Rs 199.423 million.
- v. Un-cleared balances in Wages Clearing Account – Rs 394.225 million.
- vi. Non-reporting of Fixed Assets – Rs 70.738 million.

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department. However, these issues have been reported in audit certificate / report of DEA, Jhang as emphasis of matter.

Conclusion:

The overall financial management regarding achievement of budget utilization was not satisfactory as more than 8% funds of Non-Development budget were lapsed while DEA could not utilize 24% funds of Development budget. The performance of DEA was also not satisfactory in compliance of rules and regulations regarding expenditure and irregularities amounting to Rs 303.971 million were pointed out during audit of 2018-19.

The overall performance of DEA Jhang was also not up to the mark as the availability of boundary wall for all schools could not be ensured and 140 schools were without boundary walls. It was also noticed that Rs 58.726 million were lapsed during the year which could have been utilized to provide the missing facilities. The utilization of Non-Salary Budget was also not achieved and funds

could not be utilized during the year. Thousands of students were without fundamental facilities such as desks and tables, while scores of schools were operating without class rooms and with partial facilities.

10.1.1 Audit Paras

10.1.1.1 Unauthorized credit of Provincial Government Receipts as District Education Authority Receipts – Rs 0.990 million

Risk Categorization: High

Criteria

According to Section 3.3.7.7 of Manual of Accounting Principle (MAP), where an entity acts as an agent the revenues or expenses should not be recorded in the primary books of account other than as a matter of stewardship. For example, an entity collecting taxes will not normally control the future economic benefits embodied in the tax collections and as such would not recognize the taxes as revenues of the entity. The entity may however recognize “taxes collected on behalf of the Government” as subsidiary information on the overall performance of the entity.

Observations

District Accounts Officer, Jhang collected Punjab Sales Tax on Services amounting to Rs 0.990 million on behalf of Provincial Government under the head B02385 during 2018-19. Contrary to the above mentioned Section of the MAP, tax collected was booked under receipt head of District Education Authority, Jhang.

Implications

Showing of Provincial Government receipts as District Education Authority, Jhang receipts resulted in wrong preparation of accounts and misleading figures in District Education Authority receipts.

Recommendations:

Audit recommends justification for wrong booking of Provincial Receipts in violation of above mentioned rule.

Management response:

It is submitted that amount will be transferred in Provincial Govt.-I in the month of October 2019.

Further Audit Comments:

Audit stressed to resolve the issue and provide the evidence of transfer of receipts to concerned Government. DAC directed to transfer the balances to concerned departments.

10.1.1.2 Non / less transfer of miscellaneous receipts – Rs 279.731 million**Risk Categorization: High****Criteria**

According to Section 3.3.7.7 of Manual of Accounting Principle (MAP), where an entity acts as an agent the revenues or expenses should not be recorded in the primary books of account other than as a matter of stewardship. For example, an entity collecting taxes will not normally control the future economic benefits embodied in the tax collections and as such would not recognize the taxes as revenues of the entity. The entity may however recognize “taxes collected on behalf of the Government” as subsidiary information on the overall performance of the entity.

Observations

District Accounts Officer, Jhang (District Education Authority) collected different receipts on behalf of the Federal and Provincial Governments against following GL Accounts during 2018-19. Audit observed that the same were not transferred to the concerned Governments. The detail is given below:

(Amount in Rupees)

Sr. No.	Description	Opening Balance	Receipt during the year	Total	Payment made	Closing Balance
1	G06103-General Provident Fund (Civil)	145,626,145	285,020,178	430,646,323	238,907,996	191,738,327
2	G06215-District Govt. Employee B.F	52,755,316	101,900,093	154,655,409	85,316,185	69,339,224
3	G06411-District Govt. Employee G.I	6,544,365	12,002,266	18,546,631	9,319,643	9,226,988
4	G11278-Contribution to GSHF from its members	4,771,800	9,064,000	13,835,800	7,617,000	6,218,800
5	G12713-Income Tax Deduction from Salaries	1,687,863	9,550,738	11,238,601	9,597,789	1,640,812
6	G12714- Income Tax Deduction from Contractors / Suppliers	1,349,544	2,878,000	4,227,544	3,436,458	791,086
7	G12777- Sales Tax Deductions at Source under Sales Tax	455,382	1,657,738	2,113,120	1,337,144	775,976
Total		213,190,415	422,073,013	635,263,428	355,532,215	279,731,213

(Reference Page No. 11&12 of Finance Accounts)

Implications

Unnecessary retention of Federal and Provincial Government receipts in violation of above mentioned rule needed justification.

Recommendations:

Audit recommends justification besides transfer of these balances in proper/relevant authorities.

Management response:

It is submitted that amount will be transferred in Provincial Government Account-I in the month of October 2019.

Further Audit Comments:

Audit stressed that the matter may be expedited. DAC directed to transfer the balance to concerned departments / Governments.

10.1.1.3 Incorrect reporting of previous year figures in Finance Accounts – Rs 1025.961 million**Risk Categorization: High****Criteria**

According to Section 7.1.1.2 of the APPM, Centralized Accounting Entities are required to produce (through DAO/AG/AGPR) their financial reports in accordance with the procedure set out and the format specified in the FRM.

Observations

During scrutiny of Finance Accounts of District Education Authority, Jhang Audit observed that corresponding figures of previous years were incorrectly reported in “Payment Account of the District Education Authority” on Page No.4 of Finance Accounts, as detailed below:

(Amount in Rupees)

Functions	Total Expenditure 2017-18 as per previous year accounts	Total Expenditure 2017-18 reported in current year accounts 2018-19	Difference
09-Education Affairs Services			
091-Pre-Primary & Primary Education Affairs &	4,949,578,413	5,706,016,199	-756,437,786
092-Secondary Education Affairs & Services	1,354,651,693	1,530,452,651	-175,800,958
093-Teritory Education Affairs & Services			0
094-Education Services not definable by Level	70,365,064	95,060,738	-24,695,674
095 - Subsidiary services to education	30,973,208	42,908,504	-11,935,296
096-Education Administration	25,954,877	28,900,357	-2,945,480

Functions	Total Expenditure 2017-18 as per previous year accounts	Total Expenditure 2017-18 reported in current year accounts 2018-19	Difference
097-Education Affairs & Services not Elsewhere Classified	89,097,915	143,243,998	-54,146,083
Total: 09	6,520,621,170	7,546,582,447	-1,025,961,277
Total Revenue Expenditure	6,520,621,170	7,546,582,447	-1,025,961,277
Consolidated Fund Expenditure	6,520,621,170	7,546,582,447	-1,025,961,277

Implications

Incorrect reporting of previous year figures needs to be justified.

Recommendations:

Audit recommends to make necessary correction in Finance Account.

Management response:

It was replied that detail reply will be submitted after consultation with high ups.

Further Audit Comments:

Audit stressed that the matter may be expedited.

10.1.1.4 Unknown whereabouts of Public Account Fund – Rs 199.423 million

Risk Categorization: High

Criteria

According to Note 14.1 of Financial Statements for the year 2018-19, the Public account consist of those money received by the Government for which it has a fiduciary duty, but not at liberty to appropriate for the general services of Government, unless provided by legislation. The balance in the public account are carried forwarded at year end, to be used for the specific purpose for which they are established.

Observations

During Certification of accounts of District Education Authority, Jhang it was observed closing balance of Public Account was 467.350 million as on 30.06.2019 while cash balance was only 267.927 million as on 30.06.2019 and whereabouts of difference of Rs 199.423 million was not explained in Financial Statements of the Authority.

Implications

Difference of closing balance of cash and public account balance reflected that fund of Public Account was used for which they were not authorized according to above referred criteria.

Recommendations:

Audit recommends to justify difference of closing balance of cash and public account.

Management response:

No reply was submitted by the management till finalization of this Report.

Further Audit Comments:

Audit stressed that the matter may be expedited. DAC directed to inquire the matter and report progress to Audit at the earliest. Para kept pending.

10.1.1.5 Uncleared balances in Wages Clearing Account – Rs 394.225 million

Risk Categorization: High

Criteria

According to Accountant General Punjab, letter No.A/C-1/G05105/HM-/1070 dated 02.10.2018, wages clearing account must be Nil on monthly basis. Any difference in it means incomplete/incorrect processing of payrolls by an Account Office.

Observations

During Certification of accounts of District Education Authority, Jhang it was observed that Wages Clearing Account (G-05105) balance was Rs 394.225 million as on 30.06.2019. While Wages Clearing Account must be Nil on monthly basis. The difference of Rs 394.225 million was not explained. The detail is given in the following table.

(Rupees in million)

Sr. No.	Description	Opening Balance	Receipt during the year	Total	Payment during the year	Closing Balance Difference	Difference for the Current Year
1	G05105-Wages Clearing Account	390.441	6,924.096	7,314.537	6,920.312	394.225	3.784

(Reference: Page No. 10 of Finance Accounts)

Implications:

Difference in Wage Clearing Account indicated incomplete / incorrect processing of payrolls which needed justification.

Recommendations:

Audit recommends justification for wages clearing difference in violation of above mentioned instructions.

Management response:

It is submitted that there is no difference between payment and receipts of G05105 in financial year 2018-19. However, entries of previous years will be incorporated after the reconciliation of HR data and FI data.

Further Audit Comments:

The reply is not tenable because there is a difference of Rs 3.757 million during current financial year. Audit stressed to take up the matter with AG Punjab, Lahore and submit detailed report. DAC directed to reconcile the matter within one week under intimation to Audit. Para kept pending.

10.1.1.6 Non-reporting of Fixed Assets – Rs 70.738 million

Risk Categorization: High

Criteria

According to Section 13.4.1.1 of the APPM, the categories of assets shall include land & building, civil works, plant & machinery, vehicles, furniture & fixtures, office equipment and computer equipment. Further according to Section 13.4.5.2 of the ibid, all DAOs shall prepare a fixed asset report from the fixed asset account on quarterly basis. Furthermore, according to Section 13.4.5.4 of ibid, the AG shall consolidate the above information for including to the annual accounts.

Observations:

District Accounts Officer, Jhang made payments amounting to Rs 70.738 million for development works and procurement of IT labs equipment and expenditure was charged against cost center JY-8996 (CEO Education Authority, Jhang during 2018-19. Contrary to the above referred Section of APPM, the expenditure was not included in statement of Capital Expenditure and asset side of Balance Sheet.

Implications:

Non-reporting of Fixed Assets resulted in violation of above mentioned rule of APPM.

Recommendations:

Audit recommends justification besides reporting of Fixed Assets in Balance Sheet.

Management response:

It is submitted with reference to preface Financial Statement “Commitment, Asset and Liability Accounting Practices are not yet implemented and these Financial Statements have been prepared on Cash basis of accounting and do not include accrued receipts and liabilities”. Current Financial Statements have been

prepared under NAM and the format of International Public Sector Accounting Standards (IPSAS) Cash Basis – Financial Reporting under the Cash Basis of Accounting has been adopted for the preparation of these Financial Statements. Moreover, in future, this office will maintain (Form B3) as per APPM Rules.

Further Audit Comments:

The reply is not tenable because fixed assets statement is mandatory requirement of APPM which required to be prepared on prescribed format. DAC directed to provide details of fixed assets for incorporation in subsidiary accounts / Balance Sheet in future. Para kept pending.

10.1.1.7 Unlawful conduct of business of District Education Authority

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 08.11.2017), when an elected local government is, for any reason, not in office, the Government may appoint an administrator to perform the functions of the local government until the elected local government assumes office but such period shall not exceed twelve months. Further, according to Section 64 of the Act *ibid*, the executive authority of a local government shall vest in and be exercised by its Mayor or Chairman. Furthermore, according to Government of the Punjab, Local Government and Community Development Department Notification No.SOR(LG)38-5/2014 dated 01.01.2017, District Education Authority was established in each District and Deputy Commissioner of the District was appointed as Administrator of the said Authority w.e.f. 01.01.2017.

Audit observed that Deputy Commissioner, Jhang continued to hold the office as Administrator and exercised the powers of the District Education Authority (DEA), Toba Tek Singh, beyond lawful tenure of 12 months which was expired on 31.12.2017. Therefore, conduct of business of the Education Authority, Toba Tek Singh including approval/authentication of budget amounting to Rs 8,694.769 million and incurrence of expenditure of Rs 7,546.582 million during 2018-19 was held unlawful. Furthermore, powers of the House / Authority were concentrated in and used by a Government servant. This

issue was already highlighted during last year audit but no corrective measures were taken.

Audit is of the view that due to negligence, business of the District Education Authority was run by Deputy Commissioner beyond lawful tenure of 12 months.

Exercising the powers of the House by the Deputy Commissioner beyond 12 months resulted in unlawful authentication / approval of budget and incurrence of expenditure of Rs 7,546.582 million besides unlawful conduct of business of District Education Authority.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of the matter from the Competent Authority.

[AIR Para: 01]

10.1.1.8 Incurrence of expenditure without pre-audit and non-submission of vouched accounts – Rs 23.722 million

According to Section 4.2.1.2 of APPM, following key steps are required to be followed in all expenditure / transactions, sanction of expenditure, preparation of claim voucher (bill) for payment (except for salaries and wages), approval of expenditure, registration of purchase order/ claim voucher, certification (pre-audit) of claims, authorization of payment, issue of payment, recording of expenditure in the accounting records.

Head Teachers / school councils of 81 schools, under the administrative control of Deputy District Education Officer (EE-M), Ahmad Pur Sial incurred expenditure of Rs 23.722 million out of Non-Salary Budget. Contrary to the above provisions, expenditure was incurred without pre-audit from DAO, Jhang.

Further, vouched accounts of funds withdrawn from treasury were also not submitted to the District Account Office.

Due to weak internal and financial controls, expenditure was incurred without pre-audit and vouched accounts were also not submitted to District Account Office.

Incurrence of expenditure without pre-audit and non-submission of vouched accounts resulted in violation of rules and irregular expenditure amounting to Rs 23.722 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of the expenditure from the competent authority.

[AIR Para: 1]

Chapter 2

DEA Jhang

10.2.1 Introduction

District Education Authority, Jhang was established on 01.01.2017 under Punjab Local Government Act 2013. DEA, Jhang is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

Chief Executive Officer CEO is the Principal Accounting Officer (PAO) of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is personally responsible to ensure that the business of the DEA is carried out proficiently, in accordance with the law and to promote the objectives of the Authority.

DEA Jhang manages following administrative offices and educational institutes:

Description	No. of Officer/ Institutes	No. of Formations
Chief Executive Officer (Education)	01	01
District Education Officers (Secondary)	01	01
District Officer (Literacy)	01	01
District Education Officers (Elementary Male)	01	01
District Education Officers (Elementary Female)	01	01
District Education Officers (Literacy)	01	01
District Education Officers (Special Education)	01	01
Deputy District Education Officers (Elementary Male)	04	04
Deputy District Education Officers (Elementary Female)	04	04
Higher Secondary Schools (Boys & Girls)	16	16
High Schools (Boys & Girls)	158	158
Special Education Schools / Centres	09	09
Elementary Schools*	187	-
Primary Schools*	1271	-
Total	1656	198

(*Deputy DEOs are also the DDOs of Elementary & Primary Schools)

The following table shows detail of total and audited formations of DEA Jhang:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure Audited FY 2018-19	Revenue/ Receipts Audited FY 2018-19
1	Formations	195	07	845.214	-
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities/Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

10.2.2 Comments on Budget & Accounts (Variance Analysis)

To achieve the targets assigned to the PAO by Government of the Punjab, financial resources as given below were made available to CEO DEA Jhang during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Non-Development (Salary+ Non-Salary)	8,085.803	7,364.409	-721.394	8.922
Development	240.900	182.173	-58.726	24.378
Total	8,326.703	7,546.582		

(Source: Appropriation Accounts 2018-19)

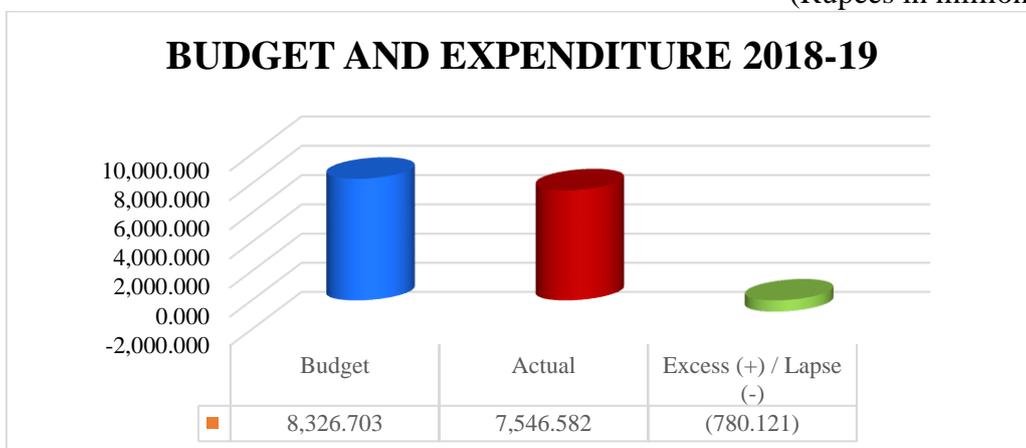
Analysis of budget and expenditure reflected that:

- An amount of Rs 8,085.803 million was provided for salary and non-development expenditure. A massive lapse of Rs 721.394 million was observed, which accounts for 8.92% of the total budget.
- An amount of Rs 240.900 million was provided for development, out of which only Rs 182.173 million was utilized. The department did not utilize funds in a timely manner, resulting in a lapse of Rs 58.726 million, representing a lapse of 24.38%.

- c. The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2018-19.

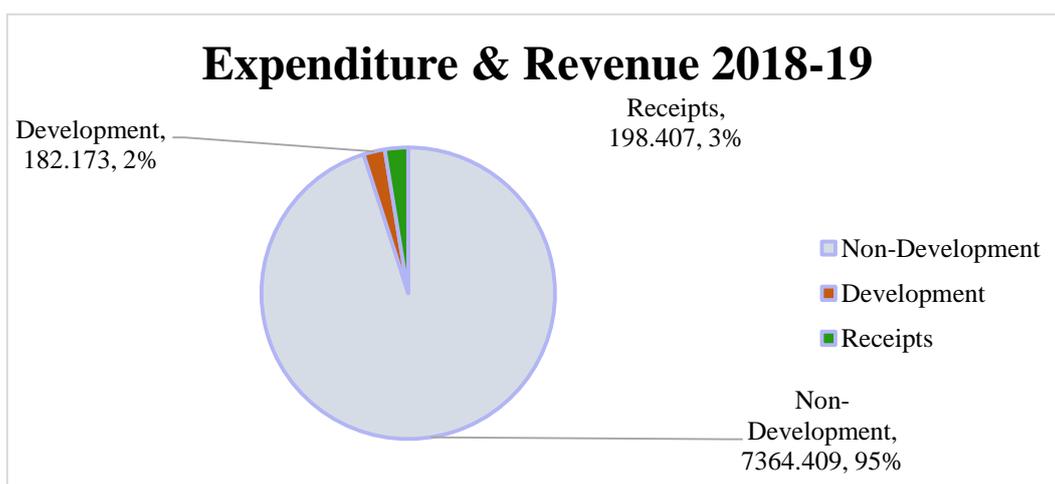
Graphical presentation of budget & expenditure is as under:

(Rupees in million)



Graphical presentation of expenditure & revenue is as under:

(Rupees in million)



10.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 302.101 million were raised as a result of this audit. This amount also includes recoverable of Rs 29.226 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount
1	Non-production of record	23.330
2	Reported cases of fraud, embezzlement and misappropriation	0
3	Irregularities	0
A	HR/Employees related irregularities	87.498
B	Procurement of related irregularities	46.685
C	Management of Accounts with Commercial Banks	0
4	Values for money and service delivery issues	10.390
5	Others	134.198
	Total	302.101

10.2.4 Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following year were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee so far.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	17	PAC not constituted
2	2018-19	39	PAC not constituted

10.2.5 Audit Paras

10.2.5.1 Non-Production of Record

10.2.5.1.1 Non-production of record of civil works' payments – Rs 23.330 million

According to Rule 41 of the Punjab District Authorities (Accounts) Rules, 2017, no payment for works shall be made unless administrative approval has been obtained, technical sanction of estimate has been accorded, funds have been provided to cover the expenditure. The DDO, head of respective office and the engineer in-charge shall ensure that the claims submitted for payment are valid claims for the work actually executed at site in accordance with the specifications and agreed quantity. Furthermore, according to Section 14© of the AGP Ordinance, 2001, The Auditor-General shall, in connection with the performance of his duties under this Ordinance, have authority to enquire or make such observations as he may consider necessary, and to call for such information as he may require for the purpose of the audit.

Chief Executive Officer DEA Jhang executed various development schemes through Executive Engineer Buildings Division, Jhang as executing agency for upgradation of school buildings, construction of boundary walls, reconstruction of dangerous buildings etc. during 2018-19. However, part payment of 23.330 million against 41 contractor bills were made directly from Account-V of DEA, Jhang. Contrary to the above provisions, complete schemes wise record i.e. cash book, technically sanctioned estimates, work orders, measurement books, agreement files, complete claim vouchers etc. was not provided for audit scrutiny.

Due to weak financial management and internal controls, record was not produced to audit for expenditure incurred on development works.

Non-provision of record by the authorities created doubts about the legitimacy of expenditure incurred amounting to Rs 23.330 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides provision of record for audit scrutiny.

[AIR Para: 7]

10.2.5.2 Irregularities

10.2.5.2.1 Payment of pension without creation of Pension Fund – Rs 32.424 million

According to Section 125 of the Punjab Local Government Act, 2013, there shall be constituted a Board to be called the Punjab Local Government Board to set up and operate pension fund and such other funds as may be considered necessary for the benefit and welfare of the employees of the Board and the prescribed local government service cadre. Furthermore, according to Rule 3(1)(2) of the Punjab District Authorities (Accounts) Rules, 2017, the local fund and public account of a District Authority shall be maintained in the bank and shall be operated by the Accountant General Punjab or District Accounts Officer as the case may be and the cash amount of a local fund and public account of a District Authority shall be kept in a separate bank account.

CEO DEA, Jhang made payments amounting to Rs 32.424 million for pension payment to Local Government employees during 2018-19. Contrary to the above provisions, expenditure was incurred without creation of Pension Fund as required by the Law.

Due to financial mismanagement and weak internal controls, pension payments were made without creation of pension fund by DEA, Jhang.

Non-creation of pension fund and expenditure on pension payment may result in undue financial burden on District Education Authority, Jhang.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides creation of pension fund for further pension payments.

[AIR Para: 27]

10.2.5.2.2 Unauthentic expenditure on salaries through adjustments – Rs 23.414 million

According to provision 4.6.5.5 of Accounting Policies and Procedures Manual (APPM), any change in employee's allowances and deductions shall be notified through the change statement to the DAO/AG/AGPR. Furthermore, according to Rule 2.20 of the Punjab Financial Rules, Volume-I, every payment, including repayment of money previously lodged with Government, for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim. As far as possible, the particular form of voucher applicable to the case should be used.

Audit observed that following DDOs of DEA, Jhang made payment amounting to Rs 23.414 million to different employees as arrear claims through adjustments in automated monthly payroll system and off-cycle module of SAP/R-3. Contrary to the above provisions, payments were made without justifying the genuineness of claims and ancillary supporting record i.e. arrear claim bills, change statements etc. notified to DAO, Jhang. The details are as under:

(Rupees in million)

DDOs	Description	Amount
Deputy DEO (EE-W), Shorkot	Payment of pay and allowances through adjustment without supporting record.	14.742
Deputy DEO (EE-W), 18-Hazari		4.973
Deputy DEO (EE-W), 18-Hazari	Payment of pay and allowances through adjustment in Off-cycle Module to the regular employees.	0.331
Deputy DEO (EE-W), Shorkot		3.368
Total		23.414

Due to financial indiscipline, arrear claims were paid through adjustments in payroll system and off-cycle module without maintenance of supporting record.

Payment of pay and allowances to employees through adjustment without supporting record resulted in unauthentic expenditure of Rs 23.414 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides provision of all relevant record for Audit scrutiny.

[AIR Paras: 7, 8, 7, 13]

10.2.5.2.3 Unauthorized expenditure out of NSB – Rs 11.642 million

According to Rules 30 and 31 of the Punjab District Authorities (Accounts) Rules 2017, the DDO shall follow the prescribed process for payments against claims like raising a sequentially numbered purchase order for all contingent expenditures, preparing claim voucher, completing the claim voucher (bill) with details of the officer making the claim, name of supplier or firm with NTN, STRN, bank account number, full postal address and the registered title. The officer making claim shall provide a statement that the supplies have been received and have been entered in the assets/stock register and/or the services have been satisfactorily carried out as provided for in the contract or purchase order.

Head Teachers of 58 primary / elementary schools, under the administrative control of two Deputy DEOs incurred expenditure of Rs 11.642 million on execution of civil works, procurement of machinery & equipment, furniture / fixtures, stationery etc. out of NSB during 2018-19, as detailed below:

(Rupees in million)

Sr. No.	Name of DDO	No. of Schools	Amount
1	Deputy DEO (EE-W), Shorkot	55	9.034
2	DEO (EE-M), 18-Hazari	03	2.608
Total		58	11.642

Contrary to the above provisions, expenditure was incurred in violation of rules due to following reasons:

1. In various cases invoices issued by the suppliers were not in chronological order, date less invoices were issued without serial numbers printed on these.
2. In some cases, procurements were made in different months but invoices attached with the claims were in continuous sequential serial numbers without gap.
3. In some cases, procurements were made from unregistered person and GST was also paid to him.
4. In various cases suspicious quotations were collected w/o calling letter and procurements were made w/o purchase orders. Further in some cases only two quotations were collected.
5. In various cases labour charges were paid before procurement of material i.e. cement, sand, bricks, electric material, plumbing sentry material etc.

Audit is of the view that due to weak financial management, expenditure was incurred in violation of rules through unhealthy procurement procedure.

Utilization of NSB through suspicious invoices and unhealthy procurement process resulted in doubtful expenditure amounting to Rs 11.642 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter for fixing of responsibility besides regularization of expenditure.

[AIR Paras: 9a, 5]

10.2.5.2.4 Irregular expenditure on civil works without approval of estimates and design/specifications – Rs 10.685 million

According to Para 4.4 of the School Council Policy, 2007 for Primary and Elementary Schools, the school council shall identify the basic needs of the

school, priorities them according to available resources and shall prepare a development plan duly signed by its all members. A copy of approved development plan shall be send to Assistant Education Officer concerned. Further, The School Council shall monitor the work(s) and efforts may be extended for its economical and timely completion. The development works shall be got executed according to the Government approved design and specifications. Further, according to Rules 9, 12(1) and 59 (b) of PPRA Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements without any splitting or regrouping of the procurements.

School Councils of 75 of DEA, Jhang, incurred expenditure of Rs 10.685 million for construction of class rooms, boundary walls, toilet blocks, soling, repair of school buildings, earthwork etc. during 2009-19. Contrary to the above provisions, works were executed without preparation of detailed estimates, designs / specifications and approval of the same from the school councils / competent authority. Further, in various cases expenditure was incurred by splitting the cost of works to avoid open price competition i.e. tendering or quotations. The details are given below:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Funds Utilized
1	Principal, Government Higher Secondary School, Hassu Balail	01	0.537
2	Deputy DEO (EE-W), Jhang	09	1.715
3	Deputy DEO (EE-M), Ahmad Pur Sial	7	1.302
4	Deputy DEO (EE-W), Shorkot	39	4.938
5	Deputy DEO (EE-M),18 Hazari	19	2.193
Total		75	10.685

Due to weak financial management and non-compliance of school council policy, civil works were executed without approval of detailed estimates, designs / specifications and expenditure was incurred without open price competition.

Execution of works without approval of estimates, designs / specifications and avoidance of open price competition resulted in incurrence of irregular expenditure amounting to Rs 10.685 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of expenditure from the competent authority.

[AIR Paras: 4, 1, 3, 1, 1]

10.2.5.2.5 Excess withdrawal of pay and allowances after regularization of services – Rs 10.073 million

According to Government of the Punjab, School Education Department Notification No.SO(SE-III)2-16/2007 dated 19.10.2009, the services of teachers appointed prior to 19.10.2009 were regularized by the Chief Minister Punjab. Further, the services of educators appointed against the posts which were advertised prior to 19.10.2009 but appointed/joined after 19.10.2009 were regularized w.e.f.10.09.2011 vide School Education Department letter No.SO(SE-III)02-16/2007 dated 10.09.2011 and pay of these employees was required to be fixed as a fresh appointee.

Sixty nine teachers working under the administrative control of CEO, DEA Jhang appointed on contract basis during 22.10.2009 to 18.12.2009 and services of these educators were regularized w.e.f 10.09.2011. Further, services of one SSE (CS) were regularized w.e.f 14.03.2014. Contrary to the above provisions, pay and allowances of these employees were not fixed at initial of their pay scales as fresh appointees. Resultantly, an amount of Rs 10.073 million was excess withdrawn by the teachers concerned. The details are as under:

(Rupees in million)

Name of Formation	No. of Employees	Amount
Chief Executive Officer (DEA) Jhang	68	9.290
	01	0.783
Total	69	10.073

Audit is of the view that due to financial indiscipline, pay and allowances were not re-fixed after regularization of services and excess salaries were withdrawn by the employees.

Withdrawal of excess pay and allowances resulted in loss to public exchequer amounting to Rs 10.073 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of 10.073 million from the teachers concerned at the earliest besides re-fixation of pay and allowances.

[AIR Paras: 7, 13, 8, 2, 25]

10.2.5.2.6 Non-availability of service record of employees and payment of salaries – Rs 8.035 million

According to Rule 2.31(a) of the Punjab Financial Rules, Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges and misappropriation. Furthermore, according to provision 4.6.5.5 of Accounting Policies and Procedures Manual, any change in employee's allowances and deductions shall be notified through the change statement to the DAO/AG/AGPR.

Deputy District Education Officers (EE-W) Shorkot made payment of pay and allowances to twenty four employees of different cadres amounting to Rs 8.035 million during 2018-19. However, payment was made without availability of service record of the employees. Resultantly, unauthorized payment was made to the employees.

Due to weak internal and financial controls, payment of salaries was made to employees without availability of service record.

Non-availability of service record of employees resulted in incurrence of unauthentic expenditure of Rs 2.866 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides production of service record for further scrutiny.

[AIR Para: 12]

10.2.5.2.7 Irregular expenditure without observing procurement rules – Rs 7.341 million

According to Section of 4 of the Guidelines for utilization of NSB, procurement rules issued by the Punjab Procurement Regulatory Authority (PPRA) should be followed by the School Councils in letter and spirit while making procurements from NSB funds. Further, according to Rules 9, 12(1) and 59 (b) of PPRA Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements without any splitting or regrouping of the procurements. The procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority.

Audit observed that head teachers of 41 schools of DEA, Jhang incurred expenditure amounting to Rs 7.341 million for purchase of furniture, execution of civil works and white washing of buildings during 2009-19. Contrary to the above provisions, expenditure was incurred by splitting the cost of procurements and keeping it below the financial limit of Rs 100,000 and Rs 50,000 to avoid tendering and quotations respectively. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Amount
1	Headmistress Government Girls High School, Jhang City, District Jhang	01	2.528
2	Principal Government Higher Secondary School Hassu Balail	01	0.406
3	Deputy DEO (EE-W) Jhang	26	2.833

Sr. No.	DDOs	No. of Schools	Amount
4	Deputy DEO (EE-M) AP Sial	13	1.574
	Total	41	7.341

Audit is of the view that due weak financial controls and negligence, expenditure was incurred without observing procurement rules and NSB guidelines.

Non-observance of procurement rules and NSB guidelines resulted in irregular expenditure of Rs 7.341 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Paras: 2, 3, 3, 8, 11, 12, 4, 6, 8, 3]

10.2.5.2.8 Suspicious expenditure due to non-availability of Record – Rs 4.947 million

According to Rule 2.2 of Punjab Financial Rules Vol-I, a simple cash book in PFR Form-I should be maintained in every office for receiving or disbursing money on behalf of the Government and recording all transactions of moneys received by the Government servants in their official capacity and subsequent remittance to the treasury or to the bank, as well transactions of moneys withdrawn from the treasury or the bank by bills and their subsequent disbursement. The entries in the cash book of cheques drawn from the Audit Office or amount withdrawn from the treasuries should be compared and checked with the list of the Cheques or treasury schedules issued by the Audit Office/Treasury Office.

Headmistress, Government Girls High School, Jhang City operated a DDO bank account in National Bank of Pakistan, Jhang City Branch during

financial years 2013-19 and transactions of Rs 4.947 million were processed but neither cash book of transactions was maintained nor supporting record i.e. claim vouchers, supplier bills, requisitions, stock registers etc. was made available to Audit for scrutiny.

Audit is of the view that due to weak financial controls, expenditure was incurred without maintenance of cash book and ancillary auditable record.

Non-maintenance of cash book and ancillary record of financial transactions, resulted in suspicious expenditure of Rs 4.947 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter for expenditure without record besides production of record to Audit for scrutiny.

[AIR Para: 4]

10.2.5.2.9 Irregular procurement without specifications and open competition – Rs 4.925 million

According to Provision 4 of the Guidelines for Utilization of Non-Salary Budget (NSB), procurement rules issued by the Punjab Procurement Regulatory Authority would be followed by the School Councils while making procurements from NSB funds. Further, according to Rules 9, 12(1), 25(2) and 59 (b) of PPRA Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements without any splitting or regrouping of the procurements. The procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority.

Head Teachers / School Councils of 53 elementary and primary schools, under the administrative control of two Deputy District Education Officers incurred expenditure of Rs 4.925 million on procurement of student desk bench,

furniture & fixtures etc. during 2018-19. Contrary to the above rules, procurements were made by splitting the cost of procurements by keeping amount of each purchase below the financial limit of Rs 100,000 to avoid tendering and Rs 50,000 to avoid quotations. In one case the procurement of desk / bench was made without open price competition. Further, specifications regarding size, material, quality of material etc. was neither provided in procurement process and procurement of student desk/bench was made on different rates. Resultantly, excess expenditure of Rs 0.233 million was incurred due to difference in rates. The details are given below:

(Rupees in million)

Sr. No.	Name of DDO	No. of Schools	Amount	Excess Cost	Remarks
1	Deputy DEO (EE-W), 18-Hazari	14	1.296	0.182	Procurement w/o specifications and in violation of procurement rules
2	Deputy DEO (EE-M), Shorkot	38	3.455	0.051	
3		1	0.174	0	Procurement w/o open competition
Total		53	4.925	0.233	

Due to weak monitoring and lack of planning, expenditure was incurred by splitting the cost of procurements and even without open competition at excessive rates without provision of specifications.

Procurement by splitting and without open competition and specifications resulted in mis-procurement of Rs 4.925 million and loss of Rs 0.233 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of expenditure from the competent authority.

[AIR Paras: 2, 2, 3]

10.2.5.2.10 Unauthorized payment of pay and allowance – Rs 4.414 million

According to Rule 2.31(a) of the Punjab Financial Rules, Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations. Furthermore, according to Rule 1.15(2) of the Punjab Travelling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time.

Six DDOs of District Education Authority Jhang made excess payment of salary amounting to Rs 4.414 million to 71 employees due to non-deduction of inadmissible Conveyance Allowance and payment on account of inadmissible Charge/Qualification Allowance & increments in Basic Pay. **(Annexure-E/JHG)**

Due to weak internal controls, payment of inadmissible pay and allowances was made to employees.

Payment of inadmissible pay and allowances resulted in excess payment to the employees amounting to Rs 4.414 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 4.414 million at the earliest from the employees concerned.

[AIR Paras: 3, 6, 7, 2, 7, 13, 14, 17, 18, 9, 20, 21, 23, 24]

10.2.5.2.11 Unauthorized payment of Social Security Benefit – Rs 3.793 million

According to Government of the Punjab, School Education Department Notification No.SO(SE-III)2-16/2007 dated 19.10.2009, pay of employees regularized w.e.f. 19.10.2009 was required to be fixed as a fresh appointee and

increment(s) already earned was to be converted into Personal Allowance and Social Security Benefit would be discontinued upon regularization of services.

Services of 25 employees of District Education Authority Jhang were regularized during 10.09.2011 to 07.08.2015. Contrary to the above provisions, the employees withdrew inadmissible Social Security Benefit after regularization of their services. Resultantly an amount of Rs 3.793 million was excess paid to the employees. **(Annexure-F/JHG)**

Audit is of the view that due to financial indiscipline, payment of inadmissible Social Security Benefit was made to the said employees.

Withdrawal of inadmissible Social Security Benefit resulted in excess payment of Rs 3.793 million to employee concerned.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization of this Report.

Audit recommends recovery of 3.793 million from the employees concerned besides adjustment of pay and allowances of the employees.

[AIR Para: 4]

10.2.5.2.12 Recovery on account of taxes – Rs 3.135 million

According to Section 153(1) of the Income Tax Ordinance, 2001, every prescribed person while making a payment shall deduct tax at prescribed rates. Furthermore, according to Rule 5 of the Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent, having Free Tax Number (FTN) or National Tax Number (NTN), shall on receipt of taxable services from an unregistered service provider, deduct Sales Tax at rate of 16% of the value of taxable services provided to him. Further, according to Sections 3(2)(a)(aa), 3(3)(3b) and 13(1) of the Sales Tax Act 1990, Goods specified in the Eighth Schedule shall be charged to tax at such rates and subject to such conditions and limitations as specified therein. Sales Tax on the import and supply of the goods

specified in the Ninth Schedule shall be charged, collected and paid at the rates, in the manner, at the time, and subject to the procedure and conditions as specified therein or as may be prescribed.

School Councils of 325 primary, elementary, high and higher secondary schools working under the administrative control of District Education Authority Jhang made payments against supply of goods, rendering of services and execution of contracts during 2010-18. Contrary to the above provisions, different taxes amounting to Rs 3.135 million were either not deducted / deducted at lesser rate from bills of the suppliers or undue taxes were charged by suppliers due to following reasons:

1. In various cases Income Tax, General Sales Tax and Punjab Sales Tax on Services either was not deducted or deducted at lesser rates from claims of suppliers.
2. In various cases GST was charged by suppliers on exempted supplies and in some cases unregistered suppliers issued GST invoices.
3. In one case PST was charged and paid to supplier without PST invoice.
4. In one supplier included Income Tax in financial bid and same was paid to supplier.
5. In one case GST on multimedia projectors was charged @ 17% instead of 10% in violation of provisions of Sales Tax act, 1990.
6. In one case GST was charged by the supplier on ambiguous GST invoice due to suspicious registration with tax authorities.
7. Further, in some cases recovery of taxes pointed out by Audit in previous period was paid out of NSB funds. **(Annexure-G/JHG)**

Due to poor financial management, taxes were either not deducted or deducted at lesser rates. Further, same were charged and paid on ambiguous bid / invoices on higher rates.

Non-deduction of taxes on specified rates and charging of same through suspicious invoices and record resulted in loss of Rs 3.135 million to the public exchequer.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends recovery of taxes amounting to Rs 3.135 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Paras: 5, 8, 5, 11, 5, 9, 5, 6, 3, 4, 10, 11, 14, 15]

10.2.5.2.13 Payment of GST on suspicious invoices and non-submission of GST Returns – Rs 2.450 million

According to Section 2(2) and 4(iii)(b) of Sales Tax Special Procedure (Withholding) Rules, 2007 read with Sales Tax Wing letter No.4(47)STB/WP(Vol-I) dated 04.8.2001, a withholding agent shall deduct an amount equal to 1/5th of the total sales tax shown in the sales tax invoice issued by a registered person. The concerned DDO shall prepare the return for each month and forward the same to Collector having jurisdiction by 15th of following month. All Government departments and organizations are required to purchase taxable goods only from registered persons against prescribed Sales Tax invoice and forward intimation to the concerned tax collectorate to ensure deposit of GST by the supplier. Further, according to Rules 30 and 31 of the Punjab District Authorities (Accounts) Rules 2017, the DDO shall follow the prescribed process for payment of claims.

School Councils of 83 primary, elementary, high and higher secondary schools working under administrative control of District Education Authority Jhang incurred expenditure of Rs 17.884 million out of NSB funds on execution of civil works, procurement of machinery & equipment, furniture and fixtures, stationery etc. and made payment to different suppliers including GST of Rs 2.450 million. Contrary to the above provisions, payments were made either

without deduction of 1/5th of GST or on suspicious GST invoices due to following reasons:

1. In various cases 4/5th of GST of Rs 1.722 million was paid to suppliers on fake GST invoices as invoices issued by the suppliers were not in chronological order with regard to date, date less invoices without printed serial numbers were issued. Procurements were made in different months but invoices were issued in consecutive serial numbers without gap. In some cases, GST was paid to unregistered suppliers.
2. Purchasing authorities being withholding agent either did not deduct deducted 1/5th of GST or monthly sales tax returns for deducted 1/5th of GST was not submitted to FBR.

Resultantly, due to suspicious invoices and non-submission of sales tax returns assurance regarding deposit of General Sales Tax paid to suppliers amounting to Rs 2.450 million could not be ascertained. The details are given below:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Cost	GST	Remarks
1	Deputy DEO (EE-W), Shorkot	55	9.034	1.117	Suspicious GST invoices
2	Deputy DEO (EE-M), 18-Hazari	03	2.608	0.605	
3	Principal Government Higher Secondary School, Hassu Balail	01	1.159	0.135	Non-verification of 80% GST
4	Headmistress Government Girls High School, Jhang City	01	2.139	0.254	
5	Deputy DEO (EE-W), Jhang	14	1.687	0.190	
6	Deputy DEO (EE-M), AP Sial	09	1.257	0.149	
Total		83	17.884	2.450	

Due to weak internal and financial controls, GST was paid to suppliers on suspicious invoices and monthly returns were also not submitted to FBR.

Non-submission of monthly returns and payment of GST on suspicious invoices resulted in concealment / non-deposit of GST amounting to Rs 2.450 million by the suppliers.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter for deposit and verification of deposit of GST by the suppliers and recovery of not paid amount of GST.

[AIR Paras: 5, 9b, 5, 5, 6, 11]

10.2.5.2.14 Unauthorized withdrawal of Personal Allowance – Rs 1.907 million

According to Government of the Punjab, School Education Department Notification No.SO(SE-III)2-16/2007 dated 19.10.2009, pay of employees regularized w.e.f. 19.10.2009 was required to be fixed as a fresh appointee and increment(s) already earned was to be converted into Personal Allowance. Further, according to Government of the Punjab, Finance Department letter No.FD.SR.-II /9-214/2013 dated 02.04.2014, Personal Allowance will be discontinued upon fresh appointment, promotion, retirement and posting to another cadre post.

Eighteen teachers working under the administrative controls of different DDOs re-appointed/promoted on different dates. Contrary to the above provisions, the employees withdrew inadmissible Personal Allowance after re-appointment and promotion. Resultantly, an amount of Rs 1.907 million was excess withdrawn by the employees concerned. The details are as under:

(Rupees in million)

Sr. No.	Name of DDO	No. of Employees	Amount
1	Deputy District Education Officer (EE-W) Shorkot	01	0.178
		05	0.326
2	Deputy District Education Officer (EE-M) 18-Hazari	01	0.143

Sr. No.	Name of DDO	No. of Employees	Amount
		03	0.109
3	Chief Executive Officer (DEA) Jhang	08	1.151
	Total	18	1.907

Audit is of the view that due to financial management and financial indiscipline, Personal Allowances was drawn by the teachers without admissibility.

Withdrawal of inadmissible Personal Allowances resulted in overpayment and loss to public exchequer amounting to Rs 1.907 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends recovery of 1.907 million from the teachers concerned at the earliest besides rectification of pay and allowances.

[AIR Paras: 15, 16, 10, 11, 22]

10.2.5.2.15 Unauthorized payment of salary after retirement from Government service – Rs 1.724 million

According to Rule 2.31(a) of the Punjab Financial Rules, Volume-I, a drawer of bill for pay and allowances contingent and other expenses will be held responsible for any over charge, frauds and misappropriations.

Eight teachers working under the administrative control of CEO DEA Jhang were retired/resigned from the Government service during 2016-19. However, the retired employees withdrew pay and allowances amounting to Rs 1.724 million after retirement from the Government service. The details are given in following table:

(Amount in Rupees)

Sr. No.	Personal No.	Name / Designation	Date of retirement/resignation	Period of overpayment	Monthly Rate of Pay	Recoverable
1	30688478	Kalsoom Akhtar, EST	03.06.19	03.06.19 to 30.06.19	58,443	0.055
2	30668600	Ghulam Muhammad, DM	10.12.18	10.12.18 to 31.12.18	66,381	0.047
3	30670588	Nafees Tabassum, EST	31.03.19	01.04.19 to 30.06.19		0.183
4	30681022	M. Irshad Khan, EST	02.01.19	02.01.19 to 31.01.19	78,022	0.076
5	30688068	M. Zafar Mehdi, PTC	14.04.19	14.04.19 to 30.06.19		0.129
6	30663698	Farzana Shaheen	26.03.17	27.03.17 to 30.04.18		0.574
7	30663678	Sajida Parveen, PST	16.06.16	17.06.16 to 30.09.17		0.615
8	31917035	Ibrar Iqbal, AEO	15.09.18		39,180	0.045
Total						1.724

Audit is of the view that due to negligence and weak financial management, pay and allowances were withdrawn by the employees after retirement.

Payment of pay and allowances after retirement resulted in loss to public exchequer amounting to Rs 1.724 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends recovery amounting to Rs 1.724 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Paras: 3, 12]

10.2.5.2.16 Incurrence of expenditure without observing student teacher ratio – Rs 1.714 million

According to provision 13(2)(a) of letter No.SO(SE-IV)2-50//2015 dated 09.09.2016, Assistant Education Officers are responsible to ensure student

teacher ratio (STR) of 40:1(1 teacher for 40 students). Further, according to rule 2.10(a) of Punjab Financial Rules Volume-I, same vigilance should be exercised in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

Contrary to the above provisions, Deputy District Education Officer (EE-W) Jhang did not observe student teacher ratio in twenty elementary & primary schools and excess teaching staff was posted in comparison to student enrolment. Resultantly, services of 56 Elementary School Educators and Primary School Teachers, involving salary expenditure of Rs 1.714 million, were not prudently and optimally utilized for provision of better education facility.

Due to weak administrative controls and poor monitoring mechanism, expenditure was incurred without observing STR.

Incurrence of expenditure of Rs 1.714 million without observing STR resulted in non-compliance of instructions.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends fixing responsibility on the person(s) at fault besides rationalization of services of teachers, under intimation to Audit.

[AIR Para: 2]

10.2.5.2.17 Mis-procurement of multimedia projectors – Rs 1.560 million

According to Rules 30, 31, 35, 38 and 69 of Punjab Procurement Rules 2014, all bids shall be opened publicly in the presence of the bidders or their representatives at the time and place announced prior to the bidding and shall record the minutes of the bid opening. A procuring agency shall formulate an appropriate evaluation criterion listing all the relevant information against which a bid is to be evaluated and such evaluation criteria shall form an integral part of

the bidding documents. Failure to provide for, an unambiguous evaluation criterion in the bidding documents, shall amount to mis-procurement. Further, the bidders shall be promptly informed about the rejection of the bids. The financial bids found technically nonresponsive shall be returned un-opened to the respective bidders.

CEO District Education Authority, Jhang incurred expenditure of Rs 1.560 million on procurement of multimedia projectors out of development funds during 2018-19. The procurement was made through open competition/tendering in which two firms participated in tendering process. Contrary to the above provisions, following discrepancies were noticed in procurement process:

1. Technical bids were opened in presence of only one bidder while that of the other bidder was rejected due to reason of not complying with the announced technical specifications and the same was neither communicated to the bidder. However, upon opening of financial bids representatives of both the firms participated in the process and marked their attendance.
2. The only reason for rejection of bid of M/s Hafsa International was that the multimedia projector (for which bid was offered) contains only one HDMI port instead of two HDMI ports. The criteria of two HDMI ports was neither announced in bidding documents by the procuring agency.
3. The actual reasons for rejection of technical bid of M/s Hafsa International despite qualifying the specified/defined criteria was best known to the authorities of procuring agency.

Due to dereliction of duties, procurement was made through unhealthy procurement process and undue favour was extended to other bidder.

Procurement through unhealthy procurement process resulted in mis-procurement amounting to Rs 1.560 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter for fixing responsibility on the person(s) at fault besides regularization of the expenditure.

[AIR Para: 9]

10.2.5.3 Value for Money and Service Delivery Issues

10.2.5.3.1 Non-completion of schemes despite availability of funds – Rs 10.390 million

According to Rules 4(b) of the Punjab District Authorities (Budget) Rules, 2017, the Chief Executive Officer shall act as Principal Accounting Officer (PAO) of the Authority and shall review progress of the development works for their timely completion.

Government of the Punjab School Education Department executed eight development schemes through DEA Jhang during 2016 to 2018 with approved cost of Rs 83.006 million. However, upto date expenditure on these schemes was Rs 72.614 million. The schemes were required to be completed upto June 2018 but these were not completed till the June, 2019 and work costing Rs 10.390 million remained incomplete despite availability of funds.

Due to weak monitoring mechanism, schemes were not completed within stipulated period despite availability of funds.

Non-completion of schemes costing Rs 10.390 million resulted in non-provision of envisaged benefits to the local populous.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter for fixing responsibility on the person(s) at fault and completion of schemes without further delay, under intimation to Audit.

[AIR Para: 5]

10.2.5.4 Others

10.2.5.4.1 Expenditure on development works excess than the estimated provisions – Rs 28.058 million

According to Government of the Punjab, School Education Department Letter No. SO(ADP)Review-418/420/2017-18 dated 24.02.2017, unspent funds, if any, on completion of a scheme, may be retrieved, for accounting/ audit purpose. No adjustments of savings against a scheme may be left for utilization on another scheme of the District Education Authority (DEA), under execution with the Executive Engineer (XEN) concerned. Further, according to Rules 41 of the Punjab District Authorities (Accounts) Rules, 2017, no payment for works shall be made unless administrative approval has been obtained, Technical sanction of estimate has accorded, funds have been provided to cover the expenditure. The DDO, head of respective offices and the engineer in-charge shall ensure that the claims submitted for payment are in accordance with the specifications and agreed quantity.

Chief Executive Officer, DEA Jhang executed ten development schemes through Buildings Department for upgradation of school buildings with estimated cost of Rs 154.679 million during 2016-19 and upto date expenditure on schemes was Rs 182.734 million. Contrary to the above provisions, expenditure on these development schemes was incurred without keeping in view the actual requirements and estimated provisions. Resultantly, expenditure of Rs 28.058 million was incurred excess than the estimated provisions. No plausible explanation was found in record for incurrence of excess expenditure than the estimated provisions. The details are given below:

(Rupees in million)

No. of Schemes	Administratively Approved Cost	Technically Sanctioned Cost	Expenditure upto June, 2019	Excess
10	192.147	154.676	182.734	28.058

Due to negligence and poor financial management expenditure excess than estimated provisions was incurred on development works.

Incurrence of excess expenditure resulted in unauthentic/unjustified payments to contractors amounting to Rs 28.058 million by the authorities.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter for excess expenditure besides fixing responsibility on the person(s) at fault.

[AIR Para: 6]

10.2.5.4.2 Expenditure excess than budget allocations – Rs 27.447 million

According to Rule 12 of Punjab District Authorities (Accounts) Rules 2017, the Budget & Accounts Officer shall maintain the accounts of District Authority. Monitor the expenditure of the office of a District Authority against approved budget. Ensure that the expenditure is charged to relevant object code and remain within allocation.

Contrary to the above rules, Deputy District Education Officer (EE-M) 18-Hazari made payment of pay and allowances amounting to Rs 219.359 million against budget allocation of Rs 191.912 million during 2018-19. The District Authorities did not take notice for payment beyond allocated budget which resulted in incurrence of expenditure excess than budget allocation amounting to Rs 27.447 million. The details are given below:

(Rupees in million)

Cost Center	Description	Budget Allocation	Expenditure	Excess
JY 6016	Deputy DEO (EE-M) 18-Hazari	191.912	219.359	27.447

Audit is of the view that due to weak financial management, payment of pay and allowances were made excess than the budget allocations.

Payment of pay and allowances excess than budget allocations amounting to Rs 27.447 million resulted in violation of rules.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to get the expenditure regularized from the competent authority.

[AIR Para: 13]

10.2.5.4.3 Irregular lump sum release of development funds and unknown whereabouts of scheme wise savings – Rs 23.171 million

According to Government of the Punjab, School Education Department Letter No.SO(ADP)Review-418/420/2017-18 dated 24.02.2017, unspent funds, if any, on completion of a scheme, may be retrieved, for accounting/ audit purpose. No adjustments of savings against a scheme may be left for utilization on another scheme of the District Education Authority (DEA), under execution with the Executive Engineer (XEN) concerned. Final statement of expenditure against each scheme, on its completion, may be obtained duly verified by the XEN and Divisional Accounts officer. Issuing of completion certificate and taking over the completed scheme may occur simultaneously. Completed scheme free from all defects may be taken over from the executing agency.

Chief Executive Officer District Education Authority Jhang transferred funds amounting to Rs 23.171 million to the Executive Engineer, Buildings Division Jhang during April, 2019 for execution of 132 development schemes as deposit work. However, following irregularities were noted in this regard:

- i. Funds were transferred without execution of agreement between both the parties for execution of development schemes as deposit work;
- ii. Lump sum transfers were made without indicating scheme wise release of funds;
- iii. Due to lump sum release of funds the scheme wise utilization of funds and detail of unspent balances may not be scrutinized and authenticated.

Audit is of the view that due to weak financial controls, funds were transferred without identifying the schemes and scheme wise unspent balances could not be retrieved.

Transfer of funds without execution of agreement and lump sum release of funds resulted in irregular transfer of funds of Rs 23.171 million besides non-retrieval of scheme wise unspent balances from the executing agency.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of the expenditure besides retrieval of unspent balances to avoid unauthorized utilization of funds, under intimation to Audit.

[AIR Para: 17]

10.2.5.4.4 Non-utilization of savings of development schemes – Rs 15.440 million

According to Rules 3(f) and 4(1)(l) of the Punjab District Authority (Budget) Rules, 2017, the Chairperson shall evaluate progress against key performance indicators for achieving economy, efficiency and effectiveness in expenditure, The CEO act as PAO and shall ensure the utilization of funds in the public interest and on specified objects.

Executive Engineer Buildings Division-Jhang transferred unspent balance of development schemes executed as of deposit works amounting to Rs 31.506 million to Chief Executive Officer, District Education Authority, Jhang at the end of financial year 2018-19. Subsequently during next financial year 2019-20 the CEO, DHA Jhang allocated/released funds amounting to Rs 16.066 million to Building Department out of the unspent balance for completion of schemes. The remaining savings of Rs 15.440 million were remained unutilized in DEA, Jhang Account-V till the date of audit and DEA authorities did not make efforts for effective utilization of these savings.

Due to weak financial management, savings of development schemes could not be optimally utilized in the public interest.

Non-utilization of savings of development schemes Rs 15.440 million resulted in non-achieving the performance indicators of education with regard to provision of better education facilities.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of matter besides devising the mechanism for effective utilization of savings.

[AIR Para: 18]

10.2.5.4.5 Irregular transfer and utilization of NSB funds – Rs 5.631 million

According to Paras 2(c)(ii), 2.1, 2.5, 3 and 4 of Guidelines for utilization of Non-Salary Budget by High and Higher Secondary Schools, Non-Salary Budget being introduced for recurrent expenditures other than salary. High and Higher Secondary Schools shall bifurcate NSB funds in detailed head-wise budget and submit it for inclusion in respective district budget. Headmaster/ Headmistress of the school shall prepare long term plan and procurement plan. NSB fund could not be utilize for the purpose other than specified in the policy. Schools could use this fund according to prescribed procedure through District Accounts Office.

Headmistress / Principal of following high / higher secondary schools utilized NSB funds amounting to Rs 5.631 million during 2016-19 through school council bank accounts. Contrary to the above instructions, a lump sum transfer of NSB funds was made in bank accounts of these schools without preparation of head-wise budget and inclusion of the same in district budget as regular budget. Further, school councils failed to prepare long-term / procurement plans and funds were utilized through direct transactions with bank accounts

without involving and submitting bills to District Accounts Office concerned. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Headmistress, Government Girls High School, Jhang City, District Jhang	3.849
2	Principal, Government Higher Secondary School Hassu Balail	1.782
Total		5.631

Audit is of the view that due to weak financial management, NSB funds were utilized in violation of prescribed procedure.

Non-observation of prescribed procedures for transfer and utilization of NSB funds resulted in irregular expenditure amounting to Rs 5.631 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of expenditure from the competent authority.

[AIR Paras: 1, 1]

10.2.5.4.6 Non-utilization of student fund – Rs 5.150 million

According to Para 2.1 of the Guidelines for Utilization of Non-Salary Budget in Primary and Elementary Schools, allocation of proper funds is necessary to enable the schools for better education planning, management and delivery. Further, according to Para 2.4 of *ibid*, schools will be bound to prepare School Based Action Plan with consideration of allocated budget. Furthermore, according to Para 2.6 of *ibid*, the schools will keenly observe their necessities for preparation of detailed budget and rationally divide budget against relevant heads.

Head Teachers / school councils of thirty six Elementary and Primary Schools, working under the administrative control of Deputy District Education

Officer (EE-M), 18-Hazari, could not utilize student funds available under Non-Salary Budget (NSB) and Farogh-e-Taleem fund during 2018-19 and funds amounting to Rs 5.150 million remained unutilized till June, 2019.

Audit is of the view that due to weak management and monitoring mechanism, student fund could not be utilized.

Non-utilization of funds of Rs 5.150 million resulted in depriving students of envisaged benefits and better education facility.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter of non-utilization of student fund and provision of update status of fund utilization to Audit.

[AIR Para: 7]

10.2.5.4.7 Irregular expenditure beyond the competence of School Councils – Rs 2.476 million

According to Section 4.9.1 of the School Council Policy, 2007, a School Council can incur expenditure up to Rs 400,000 during one Financial Year.

School Councils of ten primary, elementary and high schools working under the administrative control of DEA, Jhang incurred expenditure of Rs 6.476 million during financial year 2018-19. Contrary to the above provision, expenditure was incurred without observing the maximum ceiling of Rs 400,000 prescribed for each school during one financial year, which resulted in incurrence of excess expenditure amounting to Rs 2.476 million beyond the permissible limit of Rs 4 million. The details are given below:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Financial Years	Expenditure			Permissible Limit	Expenditure Beyond ceiling
				NSB	FTF	Total		
1	Deputy DEO (EE-W), Jhang	05	2018-19	2.333	0.279	2.612	2.000	0.612

Sr. No.	DDOs	No. of Schools	Financial Years	Expenditure			Permissible Limit	Expenditure Beyond ceiling
				NSB	FTF	Total		
2	Deputy DEO (EE-M), AP Sial	05	2018-19	3.262		3.864	2.000	1.864
Total		10		5.595	0.881	6.476	4.000	2.476

Due to weak financial management, expenditure was incurred beyond the competence of School Councils.

Incurrence of expenditure beyond the competence / prescribed limit of each school council resulted in irregular expenditure amounting to Rs 2.476 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

[AIR Paras: 9, 2]

10.2.5.4.8 Payment to consultant firm before completion of contract and development schemes – Rs 1.684 million

According to Section 6 Clause 8 of Bidding Documents for Selection of Consultancy Firm for resident supervision of the development schemes 2017-18 in District Jhang, the 60% payment to consultant will be made through monthly installments after submission of monthly reports, 30% on the submission of final evaluation report and 10% on presentation to the District Education Authority. The consultant will submit fortnightly tour programs to CEO, DEA Jhang and DEA reserve the right to check the daily presence of technical staff at site.

CEO District Education Authority Jhang paid an amount of Rs 4.209 million to M/s Velosi Integrity & Safety Pakistan (Pvt) Ltd. on account of provision of consultancy services for resident supervision of the development schemes 2017-18. The work was awarded to the firm by entering into a provision of

consultancy services contract through open competitive bidding. Contrary to the above provisions, DEA authorities paid whole amount of contract to firm without keeping in view the submission of final evaluation report and presentation to District Education Authority. It was pertinent to mention that out of total 132 schemes, civil works on various schemes was under process and did not completed by the contractors till June, 2019. Resultantly, 40% contract price amounting to Rs 1.684 million was paid to firm before fulfillment of contractual obligations by the firm. The details are as under:

(Amount in Rupees)

Total Contract Cost	60% of Contract Cost	30% of Contract Cost	10% of Contract Cost	Payment before Time
4,209,408	2,525,643	1,262,822	420,940	1,683,762

Due to weak internal and financial controls, 40% amount of contract cost was paid to firm before completion of schemes and fulfillment of contractual obligations.

Disbursement of undue payment before completion of contract and schemes resulted in violation of contractual obligations and excess payment of Rs 1.684 million to the firm.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter for unauthorized payment besides fixing responsibility on the person(s) at fault.

[AIR Para: 12]

10.2.5.4.9 Non recovery of miscellaneous receipts – Rs 1.419 million

According to Section 4(1)(a)(iii) of the Punjab Employees Efficiency, Discipline and Accountability Act 2006, the competent authority may, by an order in writing, impose fine not exceeding basic pay of one month. Further, according to Rule 68 (1) of the Punjab District Authorities (Budget) Rules, 2017,

the primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority fund. Furthermore, according to Rule 7(1) of Sub-Treasury Rules Punjab, receipt realized on behalf of the Government should at once be deposited into the Government treasury without any delay.

Contrary to the above referred rules, three DDOs of District Education Authority, Jhang did not make efforts for recovery and deposit of miscellaneous receipts amounting Rs 1.419 million into the Government treasury. The details are given below:

(Rupees in million)

Sr. No.	Name of DDO	Description of Receipt	Amount
1	Deputy District Education Officer (EE-W) Jhang	Non-deposit of receipts	0.353
		Non-auction of trees	0.152
		Non-recovery of fine	0.129
2	Deputy District Education Officer (EE-M),18- Hazari	Non-credit of profit to DEA Account-V	0.058
3	Chief Executive Officer, DEA Jhang	Non-forfeiture of performance security	0.187
		Retention of unclaimed amount in DDO Bank Account	0.393
		Non-credit of profit to DEA Account-V	0.147
Total			1.419

Due to weak financial controls on the part of DDOs, Government receipts were not recovered and got deposited into Government treasury.

Non-recovery of public receipt amounting to Rs 1.419 million resulted into loss to the public exchequer.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends recovery of Rs 1.419 million from the concerned and got deposited into proper head of account without further delay.

[AIR Paras: 4, 7, 10, 14, 13, 19, 26]

11. District Education Authority (DEA) Toba Tek Singh

Chapter 1

Public Financial Management Issues

Regional Directorate Audit Faisalabad conducts Financial Attest Audit of District Accounts Office Toba Tek Singh on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

a) Analysis of Targets and Achievements

Sectoral analysis of DEA Toba Tek Singh was carried out on the basis of various quality indicators fixed by Education Department for the Financial Year 2018-19. These indicators were introduced, implemented and monitored through Program Monitoring & Implementation Unit (PMIU) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & their retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

b) Status regarding indicators and their achievements for 2018-19

(Figures in Nos.)

Indicators	Sr. No.	Sub Indicators	Target (%)	Achievement (%)	Remarks
Quality Indicators Literacy & Numeracy Drive (LND) Test Results	1	LND	82%	84.80%	Achieved
	2	Students Attendance	92%	93.14%	Achieved
Facilities	3	Teacher Presence	90%	97.42%	Achieved
	4	Head Teacher Presence	90%	96.23%	Achieved
	5	Availability of Boundary Wall	98%	87.23%	Not Achieved
	6	Availability of Drinking Water	95%	98.52%	Achieved
	7	Availability of Furniture	70%	79.60%	Achieved
	8	Classroom Observation	80%	96.02%	Achieved
Retention Indicators	9	Retention (K-12)	97%	99.18%	Achieved

Indicators	Sr. No.	Sub Indicators	Target (%)	Achievement (%)	Remarks
Infrastructure Indicators	10	Safe Buildings	98%	99.91%	Achieved
	11	NSB Timelines	90%	N.T	Data Not available
	12	NSB Utilizations	90%	86.67%	Not Achieved
	13	Data Health	90%	92.62%	Achieved
	14	Sufficiency of Toilet	76.6%	87.15%	Achieved
Monitoring & Management Indicators	15	School Hygiene	80%	82.78%	Achieved
	16	Partial Facility	1.77%	1.08%	Not Achieved
	17	On time Resolution	90%	100%	Achieved

(Source: Data retrieved from PMIU Data Pack up to May 2019)

In view of the above target achievement table it is concluded that DEA Toba Tek Singh achieved its targets regarding teacher attendance, enrolment & and retention of students and availability of safe buildings. Data for NSB timeliness was missing and results about performance in this area remain unclear. Overall, the Authority satisfied 86.4% targets leaving a significant room for improvement. It is prudent to point out that the target percentages for availability of furniture, sufficiency of toilets and school hygiene were lower than the benchmark of 90% across the board, which would otherwise not have been achieved. Furthermore, presence of partial facilities in some schools meant that some schools still lacked drinking water, furniture and toilet facilities, which are basic minimum requirements. It was observed that development funds amounting to Rs 21.528 million were not utilized and lapsed during the financial year. These were core indicators which were not achieved which meant that administration failed to deliver to the best for meeting these targets.

DEA failed to achieve the targets regarding issues of infrastructure i.e. availability of boundary walls, class rooms and furniture as given in table below:

Detail of Missing Facilities in Public Sector Schools as on 30.06.2019

(Figures in Nos.)

Category of Missing Facility	Description	Girls Schools	Boys Schools	Total
Missing Boundary Wall	No. of Schools Having Missing B/Wall	38	138	176
Missing Class Rooms	No. of Schools Facing Shortage of C/Rooms	461	406	867
	No. of Missing Class Rooms	1,312	1,206	2,518
Missing Furniture	No. of Schools Facing Shortage of Furniture	390	437	827
	No. of Students for whom furniture is not available	35,534	44,269	79,803

(Source: Data provided by CEO, DEA Toba Tek Singh)

There are 176 schools without boundary wall which include 38 girl schools. There is also shortage of 2,518 class rooms for 867 schools and 79,803 students were without necessary furniture during 2018-19. This portrays a gloomy picture for state of education in public sector in district Toba Tek Singh.

c) **Serious Financial Irregularities and Findings**

The compliance with authority audit has shown that overall financial management of DEA Toba Tek Singh was poor and serious lapses were observed which have highlighted the need for improving the internal controls and financial discipline. Some key issues are given below:

- i. Fraud and Misappropriations involving Rs 0.084 million were reported in 1 case.
- ii. Irregularities amounting to Rs 108.607 million were noticed in 10 cases.
- iii. Value for Money and Service Delivery Issues involving Rs 17.660 million were noticed in 3 cases
- iv. Other irregularities involving an amount of Rs 681.210 million were noticed in 11 cases.

Audit paras involving procedural violations including internal control weaknesses and other irregularities not considered worth reporting to the Public Accounts Committee were included in Memorandum of Departmental Accounts Committee (MFDAC) Annexure-A.

d) Financial Attest Audit Findings

Further, following findings regarding financial management issues were also conveyed to the PAO during Financial Attest Audit of DEA Toba Tek Singh for financial year 2018-19:

- i. Non-transfer of miscellaneous receipts – Rs 30.450 million.
- ii. Transfer of miscellaneous receipts excess than actual – Rs 3.928 million
- iii. Non-reporting of Fixed Assets – Rs 159.615 million.
- iv. Difference in Closing Cash Balance between FS and SBP Rs 2.008 million

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department. However, these issues have been reported in audit certificate / report of DEA, Toba Tek Singh as emphasis of matter.

Conclusion:

The overall financial management regarding achievement of budget utilization was not satisfactory as more than 15% funds of Non-Development budget were lapsed while DEA could not utilize 10% funds of Development budget. The performance of DEA was also not satisfactory in compliance of rules and regulations regarding expenditure and irregularities amounting to Rs 810.307 million were pointed out during audit of 2018-19.

The overall performance of DEA Toba Tek Singh was also not up to the mark as the availability of boundary wall for all schools could not be ensured and 176 schools were without boundary walls. It was also noticed that Rs 21.528 million were lapsed during the year which could have been utilized to provide the missing facilities. The utilization of Non-Salary Budget was also not achieved

and funds could not be utilized during the year. Thousands of students were without fundamental facilities such as desks and tables, while scores of schools were operating without class rooms and with partial facilities.

11.1.1 Audit Paras

11.1.1.1 Non-transfer of miscellaneous receipts – Rs 30.450 million

Risk Categorization: High

Criteria

According to Provision 3.3.7.7 of Manual of Accounting Principle, where an entity acts as an agent the revenues or expenses should not be recorded in the primary books of account other than as a matter of stewardship. For example, an entity collecting taxes will not normally control the future economic benefits embodied in the tax collections and as such would not recognize the taxes as revenues of the entity. The entity may however recognize “taxes collected on behalf of the Government” as subsidiary information on the overall performance of the entity.

Observation:

During Financial Attest Audit of District Education Authority, Toba Tek Singh for the period 2018-19, it was observed that District Accounts Officer collected different receipts on behalf of the Federal and Provincial Governments against various heads pf accounts during 2018-19 but the same were not transferred to the concerned Governments in violation of above provisions. The details are given below:

(Amount in rupees)

Sr. No.	Description	Opening Balance	Total Receipts	Payment	Amount
1	G06103-General Provident Fund (Civil)	104,656,278	333,781,382	418,444,981	19,992,679
2	G06215-District Employee B.F Govt.	35,231,533	106,066,202	132,756,807	8,540,928
3	G06411-District Govt.	4,450,810	13,328,250	16,723,164	1,055,896

Sr. No.	Description	Opening Balance	Total Receipts	Payment	Amount
	Employee Insurance Fund				
4	G06412-Local Fund Employee	246,031	156,549	-	402,580
5	G011278-Contribution to GSHF from members	1,526,000	4,471,000	5,639,500	357,500
6	G12714-Income Tax deduction from suppliers	100,369	1,661,143	1,661,143	100,369
Total					30,449,952

Implications:

Non-transfer of receipts resulted in misleading figures in the accounts of the District Education Authority.

Management response:

In DAC meeting it was replied that balance of receipts would be adjusted/ transferred to quarters concerned during September 2019. Audit stressed to expedite the process of transfer of balances of receipts. DAC directed to expedite the process and produce record to Audit for verification. No progress was intimated till finalization of this Report.

Recommendation:

Audit recommends to transfer of balances of receipts without further delay and produce record for verification.

11.1.1.2 Transfer of miscellaneous receipts excess than actual collection – Rs 3.928 million

Risk Categorization: High

Criteria

According to Provision 3.3.7.7 of Manual of Accounting Principle, where an entity acts as an agent the revenues or expenses should not be recorded in the primary books of account other than as a matter of stewardship. For example, an entity collecting taxes will not normally control the future economic benefits

embodied in the tax collections and as such would not recognize the taxes as revenues of the entity. The entity may however recognize “taxes collected on behalf of the Government” as subsidiary information on the overall performance of the entity.

Observation:

During Financial Attest Audit of District Education Authority, Toba Tek Singh for the period 2018-19, it was observed that District Accounts Officer collected different receipts on behalf of the Federal and Provincial Governments under various head of accounts. However, the collected receipts were transferred in excess than the actual collected amount. The details are as under:

(Amount in Rupees)

Sr. No.	Description	Opening Balance	Receipt 2018-19	Payment	Closing Balance
1	G12713-Income Tax deduction from salaries	2,375,305	9,466,431	13,105,316	(1,263,580)
2	G12777 Sales Tax deductions at source	(2,548,787)	909,605	1,026,182	(2,665,364)
Total					(3,928,944)

Implications:

Transfer of receipts in excess than collected amount resulted in extra burden on the financial exchequer of the District Education Authority concerned.

Management response:

In DAC meeting, it was replied that balance shown in the above mentioned para would be adjusted with the receipts of next financial year 2019-20. The reply was not tenable because transfer of excess amount is material accounting error. DAC directed to adjust the excess transfer amount without further delay. No progress was intimated till finalization of this Report.

Recommendation:

Audit recommends to probe the matter and adjust the excess transferred amount at the earliest.

11.1.1.3 Non-reporting of Fixed Assets amounting to Rs 159.615 million

Risk Categorization: High

Criteria:

According to Section 13.4.1.1 of the APPM, the categories of assets shall include land & building, civil works, plant & machinery, vehicles, furniture & fixtures, office equipment and computer equipment. Further according to Section 13.4.5.2 of the ibid, all DAOs shall prepare a fixed asset report from the fixed asset account on quarterly basis. Furthermore, according to Section 13.4.5.4 of ibid, the AG shall consolidate the above information for including to the annual accounts.

Observation:

District Accounts Officer, Toba Tek Singh made payments amounting to Rs 159.615 million to CEO, DEA Jhang during 2018-19 on account of execution of civil works and procurement of furniture, IT labs equipment etc. Contrary to the above provisions, the expenditure was not included in statement of capital expenditure and Fixed Asset Report was also not prepared for inclusion of the same in annual accounts of DEA, Toba Tek Singh.

Implications:

Non-reporting of Fixed Assets resulted in violation of above mentioned policy/procedure and preparation of incorrect / defective annual accounts.

Management response:

In DAC meeting, it was replied that in the format of financial statement prescribed by the Accountant General Punjab, reporting of fixed asset is not shown. Therefore, the expenditure was not included in the statement of capital expenditure and asset side of balance sheet. The reply was not tenable because the Fixed Assets reporting is mandatory requirement and should be reflected in annual accounts. DAC directed Deputy Director Budget & Accounts DEA Toba Tek Singh to provide detail of fixed assets for incorporation of the same in annual accounts. No progress was intimated till finalization of this Report

Recommendation:

Audit recommends necessary rectification in annual accounts before finalization of annual accounts and close of financial year.

**11.1.1.4 Difference in Closing Cash Balance between FS and SBP –
Rs 2.008 million****Risk Categorization: High****Criteria:**

According to provisions 6.3.4.1, 4.2 and 4.3 of APPM, a monthly reconciliation of bank accounts is a necessary part of financial management and is also an effective measure for detecting and deterring fraud and irregularities. Every DAO shall prepare a monthly reconciliation statement for expenditures and receipts. The respective Accountant General shall prepare a consolidated monthly reconciliation statement for each government bank account as per Provision of APPM.

Observation:

During the Financial Attest Audit of District Education Authority, Toba Tek Singh for the Financial Year 2018-19, it was observed that actual closing cash balance of Account-V of DEA Toba Tek Singh as per State Bank of Pakistan was Rs 164.858 million as on 30.06.2019. However, the bank statement of National Bank of Pakistan reported closing cash balance of Rs 166.866 million which resulted in difference of Rs 2.008 million. It depicted that instructions regarding reconciliation of bank statement on monthly basis was not adhered to in letter and spirit.

Implications:

The difference in bank balance resulted in improper accounting and reflected incorrect closing balance in the annual accounts of the Authority.

Management Response:

In DAC meeting. It was replied that amount of closing balance shown in financial statement was obtained from NBP and reconciliation of same was carried out properly. Further, difference would be reconciled during 2019-20. Audit stressed to produce evidences in support of reply. DAC directed to investigate the matter and report progress to Audit at the earliest. No progress was intimated to Audit till finalization of this Report.

Recommendation:

Audit recommends that difference must be reconciled and a true figure should be reflected in annual accounts.

11.1.1.5 Utilization of funds without pre-audit and non-submission of vouched accounts – Rs 407.859 million

According to Government of the Punjab, Finance Department letter No.SO(TT) 6-1/2007 dated 26.10.2007 read with Para 4(i)&(ii) of its Annex-II, no withdrawals from Special Drawing Accounts (SDAs) are permissible as advance withdrawals, or for en-block transfer of funds in commercial banks. Withdrawal from SDAs shall only be admissible, if these are required to meet the validly accrued liabilities / booked expenditure, duly pre-audited, where so required. Furthermore, according to Government of the Punjab, Finance Department letter No.SO(TT)6-1/2009.Pt-VII dated 05.03.2012, monthly expenditure reconciliation of SDAs and monthly expenditure / payments account with paid vouchers are required to be rendered to the respective Accounts Office for post audit on regular basis.

CEO, DEA Toba Tek Singh transferred funds amounting to Rs 407.859 million through bank advice to the School Council accounts of various Primary/Elementary/High and Higher Secondary Schools, working under his administrative control during 2017-19. However, funds were transferred in the School Council's bank accounts after Withdrawal from treasury on simple receipt form without pre-audit. Furthermore, vouched accounts were also not

submitted to the District Account Office for scrutiny / post audit. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Year	Nature of Expenditure	Amount
1	HM GHS 303 JB	2017-18	NSB	0.455
2	Principal GHSS, Sandhilianwali	2017-18	NSB	0.909
3	Deputy DEO (M), Kamalia	2018-19	Payment to brick kiln students	0.916
4	CEO, DEA Toba Tek Singh	2018-19	NSB	405.579
Total				407.859

Audit is of the view that due to weak internal controls, funds were transferred to the bank accounts of School Councils without pre-audit besides non-submission of vouched accounts to District Accounts Office.

Transfer of funds amounting to Rs 407.859 million without pre-audit and non-submission of vouched accounts resulted in violation of rules.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to introduce pre-audit mechanism for NSB besides regularization of expenditure from the Competent Authority.

[AIR Paras: 1, 1, 12, 15, 9]

11.1.1.6 Excess expenditure than sanctioned budget – Rs 3.882 million

According to Rule 5(2)(h) of the Punjab District Authorities (Budget) Rules, 2017, the heads of offices shall be responsible for ensuring that the total expenditure is kept within the limits of authorized appropriation.

Audit observed that Deputy DEO (EE-M) Toba Tek Singh incurred expenditure amounting to Rs 32.625 million against the budget provision of Rs 28.743 million which resulted in excess expenditure of Rs 3.882 million than the budgeted amount. The details are as given below:

(Rupees in million)

Year	Cost Center	Description	Budget Grant	Supplementary Budget	Final Grant	Actual Expenditure	Balance
2017-18	TY6009	A01101-Basic Pay	35.500	(14.876)	20.624	21.056	(0.432)
2017-18	TY6009	A01216- Qualification Allowance	3.304	-	3.304	4.132	(0.828)
2017-18	TY6009	A0120D- Integrated Allowance	0.335	-	0.335	0.465	(0.130)
2017-18	TY6009	A0121N-Personal Allowance	4.130	-	4.130	6.363	(2.233)
2017-18	TY6015	A0122M-Adhoc Relief Allowance- 2016	0.350	-	0.350	0.609	(0.259)
		Total	43.619	(14.876)	28.743	32.625	(3.882)

Audit is of the view that due to weak financial management, excess expenditure was incurred than allocated budget.

Incurrence of expenditure beyond budget resulted in excess expenditure amounting to Rs 3.882 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of expenditure from the Competent Authority.

[AIR Para: 7]

11.1.1.7 Unlawful conduct of business of District Education Authority

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 08.11.2017), when an elected local government is, for any reason, not in office, the Government may appoint an administrator to perform the functions of the local government until the elected local government assumes office but such period shall not exceed twelve months. Further, according to

Section 64 of the Act *ibid*, the executive authority of a local government shall vest in and be exercised by its Mayor or Chairman. Furthermore, according to Government of the Punjab, Local Government and Community Development Department Notification No.SOR(LG)38-5/2014 dated 01.01.2017, District Education Authority was established in each District and Deputy Commissioner of the District was appointed as Administrator of the said Authority w.e.f. 01.01.2017.

Audit observed that Deputy Commissioner, Toba Tek Singh continued to hold the office as Administrator and exercised the powers of the District Education Authority (DEA), Toba Tek Singh, beyond lawful tenure of 12 months which was expired on 31.12.2017. Therefore, conduct of business of the Education Authority, Toba Tek Singh including approval/authentication of budget amounting to Rs 8,694.769 million and incurrence of expenditure of Rs 7,408.466 million during 2018-19 was held unlawful. Furthermore, powers of the House / Authority were concentrated in and used by a Government servant. This issue was already highlighted during last year audit but no corrective measures were taken.

Audit is of the view that due to negligence, business of the District Education Authority was run by Deputy Commissioner beyond lawful tenure of 12 months.

Exercising the powers of the House by the Deputy Commissioner beyond 12 months resulted in unlawful authentication / approval of budget and incurrence of expenditure of Rs 7,408.466 million besides unlawful conduct of business of District Education Authority.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of the matter from the Competent Authority.

[AIR Para: 4]

Chapter 2

DEA Toba Tek Singh

11.2.1 Introduction

District Education Authority (DEA) Toba Tek Singh was established on 01.01.2017 under Punjab Local Government Act (PLGA), 2013. DEA Toba Tek Singh is a body corporate having perpetual succession and a common seal with power to acquire / hold property and enter into any contract and may sue and be sued in its name.

Chief Executive Officer (CEO) is the Principal Accounting Officer (PAO) of the District Education Authority and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the DEA is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

DEA Toba Tek Singh manages following administrative offices and educational institutes:

Description	No. of Offices/ Institutions	No. of Formations
CEO District Education Authority	01	01
DEO (Secondary Education)	01	01
DEO (Elementary Male)	01	01
DEO (Elementary Female)	01	01
DEO (Literacy)	01	01
DEOs (Elementary Male)*	4	4
DEOs (Elementary Female)*	4	4
Higher Secondary Schools (Boys & Girls)	16	16
High Schools (Boys & Girls)	198	198
Special Education Schools / Centers	7	7
Elementary Schools*	287	-
Primary Schools*	680	-
Total	1,201	234

(*Deputy DEOs are also the DDOs of Elementary & Primary Schools)

The following table shows detail of total & audited formations of DEA Toba Tek Singh:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure Audited FY 2018-19	Revenue/ Receipts Audited FY 2018-19
1	Formations	234	07	2,775.525	111.731
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities/Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

11.2.2 Comments on Budget & Accounts (Variance Analysis)

To achieve the targets assigned to the PAO by Government of the Punjab, financial resources as given below were made available to CEO DEA Toba Tek Singh during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Non-Development (Salary + Non-Salary)	8,479.204	7,214.429	-1,264.775	15%
Development	215.565	194.037	-21.528	10%
Total	8,694.769	7,408.466	-1,286.303	25%
Receipts	0	158.524	0	0

(Source: Appropriation Accounts 2018-19)

Analysis of budget and expenditure indicated that:

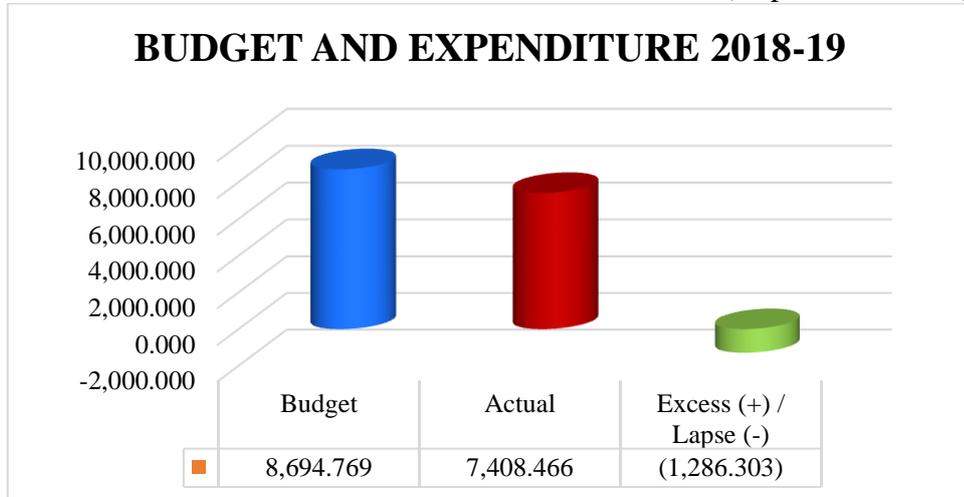
- a. An amount of Rs 8,479.204 million was provided for salary and non-salary expenditure. A massive lapse of Rs 1,264.769 million was observed, which accounts for 15% of the total budget.
- b. An amount of Rs 215.565 million was provided for development schemes, out of which an amount of Rs 194.037 million was utilized.

The department did not utilize funds in a timely manner, resulting in a lapse of Rs 21.528 million i.e. 10%.

- c. Out of total development expenditure of Rs 194.037 million, an amount of Rs 34.422 million was spent for pay & allowances and operational expenses of literacy project. Out of remaining budget an expenditure of Rs 159.615 million an amount of Rs 40.827 million was incurred for the purchase of furniture & transport and expenditure of Rs 118.788 million was incurred for construction of buildings in different schools of the district.
- d. The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2018-19.

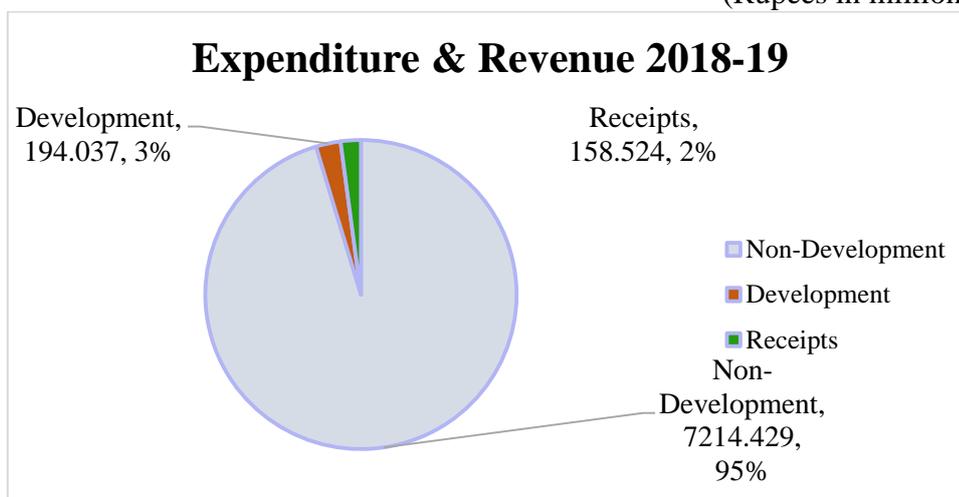
Graphical presentation of budget & expenditure is as under:

(Rupees in million)



Graphical presentation of expenditure & revenue is as under:

(Rupees in million)



11.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 807.561 million were raised as a result of this audit. This amount also includes recoverable of Rs 227.245 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount
1	Non-Production of Record	-
2	Reported cases of fraud, embezzlement and misappropriation	0.084
3	Irregularities	-
A	HR/Employees related irregularities	13.142
B	Procurement related irregularities	95.465
C	Management of Accounts with Commercial Banks	0
4	Values for money and service delivery issues	17.660
5	Others	681.210
	Total	807.561

11.2.4 Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following year were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee so far.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	13	PAC not constituted
2	2018-19	28	PAC not constituted

11.2.5 Audit Paras

11.2.5.1 Fraud and Misappropriations

11.2.5.1.1 Unauthorized withdrawals and embezzlement from FTF – Rs 0.084 million

According to Rule 2.10(b)(5) of the Punjab Financial Rules, Volume-I, no money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance. Further, according to Rule 2.33 of ibid, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by the Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

Audit observed that head teacher of Government Elementary School Chak 149 GB working under the administrative control of DEA, Toba Tek Singh received funds amounting to Rs 0.475 million on 29.04.2014 for purchase of furniture and deposited the same into Farogh-e-Taleem Fund (FTF) account. However, furniture was purchased during 2017-18 and at the time of payment there was shortage of Rs 0.084 million in the said account which was met from NSB account. This indicated that the head teacher had already drawn this amount from FTF account without approval of School Council and without actual incurrence of expenditure.

Audit is of the view that due to weak internal controls, funds were drawn without approval of School Council and without incurrence of actual expenditure.

Withdrawal of funds without incurrence of actual expenditure resulted in embezzlement amounting to Rs 0.084 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter besides recovery and strict disciplinary action against the person(s) at fault.

[AIR Para: 9]

11.2.5.2 Irregularities

11.2.5.2.1 Inefficient and non-transparent procurement of furniture – Rs 44.294 million

According to Rule 4 of the Punjab Procurement Rules, 2014, a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. Furthermore, according to Rule 2(p) of the Rules *ibid*, corrupt and fraudulent practice means misrepresentation of facts in order to influence a procurement process or the execution of a contract, collusive practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the procuring agency of the benefits of free and open competition.

Funds amounting to Rs 66.000 million were provided to District Education Authority (DEA), Toba Tek Singh by Government of the Punjab, Finance Department in January, 2018 for procurement of furniture under Khadim-e-Punjab School Program (KPSP). Chief Executive Officer, DEA, Toba Tek Singh started procurement process in May, 2018 and technical bids were opened on 06.06.2018 but financial bids were opened in January, 2019 and supply order worth Rs 44.294 million was issued on 29.01.2019. The firm supplied furniture costing Rs 3.390 million during 2018-19. However, the procurement process was held inefficient and non-transparent on the following grounds:

- i. Financial bids were not opened in the bid validity period and the bidders were asked to extend bid validity period for further 60 days. The bidders agreed to allow the bid validation period for 60 days. Then again the bidders were asked to extend bid validity period due to which two bidders refused to allow further extension and took back their financial bids. Hence, the scope of vast competition was

limited by using delaying tactics to award the contract to favorite firm.

- ii. The remaining four bids were actually submitted in a way to keep the bid prices at artificial / non-competitive level because bids shown to be submitted by M/s Zain Enterprises, Faisalabad and M/s Malik Enterprises Toba Tek Singh were actually prepared by the same person in the same computer as evident from the letters regarding Acceptance of Specifications wherein the word “Acceptance” was spelled as “Accepeptance”. Further, applications for return of CDR (Bid Security) of the bidders namely M/s Fine Wood Works and M/s New Apex Wood Works were written by the one and same person and receipt of CDRs of both the bidders was also acknowledged by the same person. Furthermore, Bid Security / CDRs were returned on 19.01.2019 i.e. before finalization and award contract.
- iii. Cheque for payment to M/s Zain Enterprises was received by Mr. Shahid Saleemi of M/s Malik Enterprises, the so called competitor. It also reflected that bids with different names were submitted by the same person in connivance with the incumbent(s) of procuring agency i.e. DEA, Toba Tek Singh.
- iv. Furniture costing Rs 3.390 million was purchased on 15.05.2019 vide invoice No. 11553 whereas its inspection was shown to be carried out on 11.05.2019.
- v. The huge delay in procurement of furniture was observed as only 7.5% financial progress was achieved during the financial year.

Audit is of the view that due to negligence on the part of management, procurements were made by limiting the scope of vast competition by using delaying tactics.

Procurements by limiting the scope of vast competition resulted in non-transparent and delayed procurements of Rs 44.294 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter besides getting the expenditure regularized from the Competent Authority.

[AIR Para: 17]

11.2.5.2.2 Non-imposition / non-recovery of penalty for delay in completion of works – Rs 38.279 million

According to clause 39 (a) of the Contract Agreement for execution of civil works, the time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. The contractor shall pay as compensation an amount equal to one percent of the amount of contract subject to maximum of 10% or such smaller amount as the engineer in-charge (whose decision in writing shall be final) may decide, on the amount of the estimated cost of work for every day the work remains un-commenced or unfinished after the proper date. Furthermore, according to Government of the Punjab, School Education Department letter No.SO(ADP)Review-418/420/2016-17 dated 24.02.2017, issuing of completion certificate and taking over the completed scheme may occur simultaneously and completed scheme free from all defects may be taken over from the executing agency.

The CEO, District Education Authority Toba Tek Singh got executed civil works by the Executive Engineer, Buildings Division, Toba Tek Singh as deposit work. However, the works either remained incomplete or were completed after the stipulated dates of completion provided in the work orders. The CEO, DEA neither made efforts for timely completion of civil works costing Rs 382.790 million nor the executing agency was stressed to recover and transfer / credit the penalty amounting to Rs 38.279 million to DEA Account-V.

Audit is of the view that due to weak monitoring mechanism, penalty was not got imposed/ recovered for delay in completion of civil works.

Non-imposition / non-recovery of penalty amounting to Rs 38.279 million resulted in loss to the District Education Authority besides delay in completion of works.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends recovery amounting Rs 38.279 million and depositing the same into DEA Account-V.

[AIR Para: 1]

11.2.5.2.3 Irregular expenditure without observing procurement rules – Rs 8.072 million

According to Section 4 of the Guide Book for Non-Salary Budget (NSB), procurement rules issued by the Punjab Procurement Regulatory Authority would be followed by the School Councils while making procurements from NSB funds. Further, according to Rule 14 of the Punjab Procurement Rules, 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one National Daily Newspaper.

Head teachers of various schools, under the administrative control of District Education Authority Toba Tek Singh and CEO, DEA incurred expenditure amounting to Rs 8.072 million for purchase of furniture, execution of civil works and white washing of buildings during 2018-19. However, expenditure was incurred by splitting the cost of procurements to avoid invitation of bids/tenders. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of DDOs	Amount
1	Headmaster, Government High School, 303 JB, Toba Tek Singh	01	0.260
2	Deputy DEO (EE-W), Gojra	28	2.947
3	Deputy DEO (EE-M), Toba Tek Singh	05	0.780
4	Deputy DEO (EE-M), Kamalia	17	2.654
5	CEO, DEA Toba Tek Singh	01	1.431
Total		52	8.072

Audit is of the view that due to weak monitoring mechanism and negligence on part of the management, expenditure was incurred without observing procurement rules and School Council Policy.

Non-observance of procurement rules and School Council Policy resulted in irregular expenditure of Rs 8.072 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Paras: 3, 3, 4, 9, 18]

11.2.5.2.4 Unjustified payment of salaries through adjustments – Rs 8.010 million

According to Rule 2.20 of the Punjab Financial Rules, Volume-I, as a general rule every payment, including repayment of money previously lodged with Government, for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim. As far as possible, the particular form of voucher applicable to the case should be used.

During 2018-19, Deputy District Education Officers (EE-M), Kamalia & (EE-M), Toba Tek Singh made payment of Rs 8.010 million to different employees through adjustments in pay and allowances without justifying such

adjustment supported by the ancillary record. The details are given in following table.

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Deputy DEO (EE-M), Kamalia	Payment of pay & allowances was made through adjustments in regular payroll without maintenance of supporting record	6.372
2	Deputy DEO (EE-M), Toba Tek Singh		1.638
Total			8.010

Audit is of the view that due to weak financial management, salaries were paid through adjustments without maintaining supporting record.

Payment of salaries through adjustment / without maintaining ancillary / supporting record resulted in unjustified payment of Rs 8.010 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends maintenance and provision of all the ancillary record for verification besides fixing responsibility on the person(s) at fault.

[AIR Paras: 13, 3]

11.2.5.2.5 Payment of inadmissible pay and allowances – Rs 2.655 million

According to Rule 1.15(2) of the Punjab Traveling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time. Further, according to Rule 9(b) of the Punjab District Authorities (Accounts) Rules, 2017, the drawing and disbursing officer and payee of the pay, allowances, contingent expenditure or any other expenses shall be personally responsible for overpayment, fraud or misappropriation and shall be liable to make good that loss. Furthermore,

according to Government of the Punjab, Finance Department letter No.FD.SR-II/9-214/2013 dated 02.04.2014, Personal Allowance will be discontinued upon fresh appointment, promotion, retirement and posting to another cadre post.

Audit observed that four DDOs of DEA, Toba Tek Singh made inadmissible payment amounting to Rs 2.655 million to different employees on account of Conveyance Allowance, Charge Allowance, Personal Allowance, Annual Increment, full pay during EOL and leave with half pay etc. during 2009-19. The details are given below:

(Rupees in million)

Sr. No.	DDOs	No. of Employees	Description of Allowances	Amount
1	GHSS,379 JB	16	Conveyance Allowance during winter vacations 2009 to 2013	0.046
2	GHSS, Sandhilianwali	02	Charge Allowance & Conveyance Allowance	0.003
3	Deputy District Education Officer (EE-W) Gojra	03	Extra Ordinary leave, Leave with half Pay	0.241
		28	Conveyance Allowance during leave and summer vacations	0.217
		02	Personal Allowance	0.082
		01	Excess Pay and All. After regularization	0.201
4	CEO, DEA Toba Tek Singh	05	Non fixation of pay after regularization	0.824
		37	Conveyance All. During Summer vacation 2018-19	0.338
		05	Excess payment of Personal Allowance	0.703
Total		99		2.655

Audit is of the view that due to weak financial controls, payment of inadmissible allowances was made.

Payment of inadmissible allowances resulted in loss of Rs 2.655 million to the District Education Authority.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends early recovery of Rs 2.655 million from the concerned.

[AIR Paras: 4, 3, 4, 6, 9, 10, 20]

11.2.5.2.6 Doubtful procurements through fake procurement process – Rs 2.222 million

According to Section 23(1) of the Sales Tax Act 1990, a registered person making a taxable supply shall issue a serially numbered tax invoice at the time of supply of goods containing the complete particulars. Furthermore, according to Rule 9(b) of the Punjab District Authorities (Accounts) Rules, 2017, the drawing and disbursing officer and payee of the pay, allowances, contingent expenditure or any other expenses shall be personally responsible for overpayment, fraud or misappropriation and shall be liable to make good that loss.

Head teachers of various primary and elementary schools working under the administrative control of Deputy District Education Officer (EE-M), Kamalia withdrew funds amounting to Rs 2.222 million from NSB accounts through School Councils. However, funds were drawn by using fake invoices / quotations of five suppliers. Some instances regarding use of fake invoices / quotations are quoted as under:

- i. Invoice number 985 was shown issued on 08.06.2019 whereas invoice number 986 on 07.06.2019, invoice number 19004 on 05.11.2018 whereas invoice number 19003 on 06.11.2018 and so on.
- ii. Procurements were made from local market or other shops / suppliers but invoices were got managed from so called suppliers by paying invoice charges / commission @ 1% or 2%.
- iii. Invoices of one school for different months were issued in same sequence / consecutive series and to the other school in another sequence / consecutive series which indicated that just letter heads

- were used to manage / prepare fake invoices without actual purchase of goods by the School Councils from the so called suppliers.
- iv. Invoice of black listed firm was used for drawing funds.
 - v. Dates mentioned on invoices issued to a school differ from the dates summary provided in the list by the so called supplier.
 - vi. In a School Council meeting dated 31.01.2019 it was mentioned that work had been done on 08.02.2019.
 - vii. Procurement was made through fake quotations to keep the bid prices at artificial / non-competitive level because businesses of the suppliers / contractors and so called competitors were being run actually by the same management.

Audit is of the view that due to prevalence of financial indiscipline, procurements were made by adopting fake / managed procurement process.

Withdrawal of funds amounting to Rs 2.222 million by using fake invoices/ quotations without actual procurements resulted in doubtful procurement.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter besides referring the case to the Federal Board of Revenue.

[AIR Paras: 1, 8]

11.2.5.2.7 Loss due to delay in regularization of services of contract employees – Rs 1.443 million

According to Government of the Punjab Regularization of Services Act, 2018 read with letter No. PAP/Legls-2 (197)/ 2018/1753 dated 30.04.2018, a contract employee, on regularization shall be allowed the initial stage of the respective pay scale and the increments earned by him during the contract

appointment shall be converted into personal allowance but no other privilege allowed to a contract employee shall be admissible.

Audit observed that 26 employees working under the administrative control of Deputy District Education Officer (EE-M), Toba Tek Singh were appointed on contract basis during 2014. Their services were not regularized w.e.f. 01.05.2018 and undue benefit was extended on account of payment of 30% Social Security Benefit amounting to Rs 1.443 million.

Audit is of the view that due to weak management, services of contract employees were not regularized on stipulated date.

Delay in regularization of services of contract employees resulted in loss of Rs 1.443 million to the DEA.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends early regularization of services of contract employees.

[AIR Para: 1]

11.2.5.2.8 Procurements without specifications – Rs 1.429 million

According to Rule 2.33 of the Punjab Financial Rules, Volume-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

Audit observed that Heads of 15 elementary and primary schools working under administrative control of Deputy District Education Officer (EE-M) Toba Tek Singh withdrew funds amounting to Rs 1.429 million during financial year 2018-19 from NSB grant of schools without mentioning rate and quantity of

items purchased from suppliers. Lump sum bills were prepared just to draw the funds from Non Salary Budget.

Audit is of the view that due to weak internal controls, procurements were made without mentioning specifications.

Withdrawal of NSB funds without specifications resulted in irregular expenditure amounting to Rs 1.429 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter at appropriate level besides regularization of expenditure from the Competent Authority.

[AIR Para: 5]

11.2.5.2.9 Non-deduction of taxes – Rs 1.169 million

According to Section 153(1) of the Income Tax Ordinance, 2001, every prescribed person while making a payment in full or part shall deduct tax at prescribed rates. Further, according to Section 1.3 of the Sales Tax Special Procedure (Withholding) Rules, 2007, withholding agents falling under category “A” were required to deduct an amount equal to 1/5th (20%) of the total Sales Tax shown in Sales Tax invoice issued by registered persons. Furthermore, according to Rule 5 of the Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent, having Free Tax Number (FTN) or National Tax Number (NTN), shall on receipt of taxable services from an unregistered service provider, deduct Sales Tax at the applicable rate of the value of taxable services provided to him.

Head teachers of various schools, under the administrative control of District Education Authority, Toba Tek Singh and CEO, DEA made payments against supply of goods, rendering of services and execution of contracts during 2011-19. Contrary to the above provisions, an amount of Rs 1.169 million on

account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not / less deducted from the payments. Further, GST was either paid on exempted supplies or previous recovery of taxes was paid out of NSB funds. The details are given below:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Income Tax	GST	Sales Tax on Services	GST Paid on Exempt Supplies	Amount
1	Principal, Government Higher Secondary School, 379 JB Toba Tek Singh	01	0.015	0	0.021	0	0.036
2	Headmaster, Government High School, 303 JB, Toba Tek Singh	01	0.006	0	0	0.016	0.022
	Headmaster, Government Higher SS, Sandhilianwali	01	0.007	0	0.014	0	0.021
3	Deputy DEO (EE-W), Gojra	18	0.002	0.036	0	0.092	0.130
5	Deputy DEO (EE-M), Kamalia	46	0.298	0.135	0.389	0.028	0.850
6	CEO, DEA, Toba Tek Singh	0	0	0	0	0.110	0.110
	Total	67	0.328	0.171	0.424	0.246	1.169

Audit is of the view that due to weak internal controls and negligence, taxes were not deducted/withheld at specified rates before making payments.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 1.169 million to the suppliers /service providers/contractors concerned.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends early recovery of taxes amounting to Rs 1.169 million from the concerned.

[AIR Paras: 4, 5, 7, 2, 8, 11, 6, 3, 4, 5, 19]

11.2.5.2.10 Irregular payment of remuneration to the staff working in double shift school – Rs 1.034 million

According to Government of the Punjab, School Education Department letter No.SO (SE-III) 5-99/2016 dated 10.02.2017 condition No.04, the teaching and non-teaching staff in Double Shift Schools shall be paid out of Non-Salary Budget for a period of less than one year. Furthermore, according to condition No.05, the number of posts for each category of Double Shifting Schools (single section) in upgrading middle schools may be allocated subject to minimum/at least enrolment of 80 students in evening class.

Head teacher of Government Girls Elementary School, Dastagir Colony, Toba Tek Singh working under the administrative control of Deputy DEO (EE-W), Gojra incurred expenditure of Rs 1.034 million on payment of remuneration to teaching/non-teaching staff for evening/double shift classes in the school. The entire NSB grant was utilized for payment of remuneration by ignoring the other needs of school and without availability of specific grant for this purpose. Further, student enrolment for double shift classes was only 51 against the requirement of minimum 80 students. Furthermore, no record regarding actual appearance of students in the examination and result thereof was produced for scrutiny by Audit.

Audit is of the view that due to poor financial management, expenditure was incurred for Double Shift Classes without observing criteria.

Payment of remuneration without observing the criteria resulted in irregular expenditure of amounting to Rs 1.034 million from NSB grant.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

[AIR Para: 2]

11.2.5.3 Value for Money and Service Delivery Issues

11.2.5.3.1 Non-procurement of buses for students of special education centres – Rs 12.400 million

According to Rule 55 of the Punjab District Authorities (Budget) Rules, 2017, the heads of offices or institutions and drawing and disbursing officers (DDOs) shall be responsible for incurring expenditure against the funds allotted and effectively utilizing the budget appropriations.

Funds amounting to Rs 12.400 million were provided to the DEA, Toba Tek Singh by Government of the Punjab as conveyed vide Order No. SO(B&D)7-1/2016-17 dated 30.05.2017 by the Secretary, Special Education Department for procurement of two buses for Government Special Education Center, Gojra and Kamalia. However, CEO, DEA, Toba Tek Singh could not procure these buses despite lapse of more than three years due to adoption of irregular procurement process i.e. attempting the advance withdrawal against proforma invoice without adopting competitive bidding process and secondly by opening of financial bids along with technical bids / before evaluation of technical bids. Further, the cost of buses had been increased by Rs 1.400 million since last procurement attempt held in November, 2017, as detailed below:

(Rupees in million)

Allocation for Each Bus	Discounted Rate of Each Bus in November, 2017	Discounted Rate of Each Bus in October, 2019	Difference	No. of Buses	Total Increase in Cost
6.200	5.800	6.500	0.700	2	1.400

Audit is of the view that due to negligence, irregular procurement processes were adopted for procurement of buses.

Irregular procurement process resulted in non-procurement of buses costing Rs 12.400 million resulting in non-provision of envisaged transport

facilities to the special education students besides increase in cost amounting to Rs 1.400 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter besides making strenuous efforts for procurement of buses without further delay.

[AIR Para: 6]

11.2.5.3.2 Wasteful expenditure / blockage of funds due to non-completion of scheme – Rs 5.260 million

According to Rule 3(f) of the Punjab District Authorities (Budget) Rules, 2017, the Chairperson shall evaluate progress against the key performance indicators for achieving economy, efficiency and effectiveness in expenditure. Furthermore, according to Rule 5(2)(m) of the Rules *ibid*, the head of office and institution shall be responsible for guarding against waste and loss of public money.

Chief Executive Officer, DEA, Toba Tek Singh did not make strenuous efforts for completion of a development scheme namely “Upgradation of Government Girls Elementary School Chak No. 294 GB to High School Level” despite incurrence of expenditure amounting to 5.260 million whereas total approved cost of the scheme was Rs 11.364 million. The scheme remained unfunded and incomplete since January, 2017 so the funds amounting to Rs 5.260 million already utilized were blocked / gone wasteful without provision of envisaged benefits to the students.

Audit is of the view that due lack of due diligence, strenuous efforts were not made for completion of the development scheme.

Non-completion of scheme resulted in wasteful expenditure / blockage of funds amounting to Rs 5.260 million and deprivation of the students from the envisaged benefits.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report. Audit recommends to probe the matter and to make strenuous efforts for early completion of scheme.

[AIR Para: 7]

11.2.5.3.3 Irregular budgeting of receipts and expenditure of Authority

According to Rules 4(g) of the Punjab District Authorities (Budget) Rules 2017, Chief Executive Officer shall be responsible to ensure the traditional budget formulation is shifted to the performance budget framework. Further, according to Rules 10(2)(c) *ibid*, all items of income and expenditure shall be specific in programs and activities and no lump-sum allowed. Further, according to Rule 13 *ibid*, the estimate of credits and disbursement relating to Public Accounts shall be prepared by the budget and accounts officer on receipt of figures from the offices and institutions. Further, according to Rule 16(2)(a) *ibid*, the collecting officer, while preparing estimates of receipts, shall diligently and accurately prepare the estimates of receipts by developing performance indicators. Further, according to Rule 16(2)(b) *ibid*, no Provincial Finance Commission Award, grant, contribution shall be included in the estimates of receipts until a definite communication is received in this regard.

CEO, DEA, Toba Tek Singh prepared annual budget for the financial year 2018-19. However, following discrepancies were observed in budgeting process:

- i. Development budget book was neither prepared by the District Education Authority nor approved by the Competent Authority.
- ii. Expected receipt of PFC Award and local receipt was not incorporated in budget book.

iii. Traditional Budget formulation was not shifted to performance budget framework.

iv. Performance indicators for receipts were not developed.

Audit is of the view that due to negligence, budget rules were not observed while preparing annual budget of the Authority.

Non-observing of budget rules resulted in defecting budgeting in violation of rule.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of the matter from the Competent Authority.

[AIR Para: 16]

11.2.5.4 Others

11.2.5.4.1 Non-provision of NSB to schools due to lapse of funds – Rs 133.036 million

According to Rule 4(1)(i) of the Punjab District Authorities (Budget) Rules, 2017, the Chief Executive Officer shall act as Principal Accounting Officer of the Authority and shall ensure the utilization of funds in the public interest and on specified objects. Furthermore, according to Rule 68(1) of the Punjab District Authorities (Budget) Rules, 2017, the primary obligation of the Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority fund and to record entries under proper receipt head.

Funds amounting to Rs 133.036 million were provided in the joint SDA of CEO, DEA and District Education Officer (Secondary Education) Toba Tek Singh as Non Salary Budget (NSB) by the Program Monitoring & Implementation Unit, Punjab Education Sector Reforms Program (PMIU-PESRP) in April, 2018 for their utilization through School Councils. However, the same could not be utilized due to non-clearance of cheques by the District Accounts Office on account of advance withdrawals due to which all the funds were lapsed. Chief Executive Officer, DEA did not make concrete efforts for recoupment of the funds for their further utilization for the envisaged objectives.

Audit is of the view that due to negligence on the part of management, funds provided under NSB were lapsed.

Lapse of funds amounting to Rs 133.036 million resulted in non-utilization of these funds and deprivation of the students from the envisaged benefits.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends retrieval of funds amounting to Rs 133.036 million for attainment of envisaged objectives.

[AIR Para: 3]

11.2.5.4.2 Non-completion of development scheme – Rs 60 million

According to Rule 3(f) of the Punjab District Authorities (Budget) Rules, 2017, the Chairperson shall evaluate progress against the key performance indicators for achieving economy, efficiency and effectiveness in expenditure. Furthermore, according to Rule 5(2)(m) of the Rules *ibid*, the head of office and institution shall be responsible for guarding against waste and loss of public money.

The work for construction of District Education Complex at District Toba Tek Singh was awarded to a contractor on 26.05.2016 at a cost of Rs 44.624 million with stipulated completion period upto 25.11.2017. The original approved cost of the scheme was Rs 50 million comprising capital and revenue cost amounting to Rs 48.760 million and Rs 1.240 million respectively. Subsequently, the cost of scheme was revised to the extent of Rs 60 million on 22.03.2018. However, the scheme could not be completed despite lapse of two years from the stipulated completion date due to non-provision of all the requisite components in the original scheme and non-provision of additional funds for the revised scope despite incurrence of expenditure amounting to Rs 49.962 million.

Audit is of the view that due lack of due diligence, provision for all the necessary items / components was not made in the original scope of work.

Defective estimation of original scope of work resulted in non-completion of scheme costing Rs 60 million despite incurrence of expenditure amounting to Rs 49.962 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends strenuous efforts for early completion of scheme besides fixing responsibility on the person(s) at fault.

[AIR Para: 12]

11.2.5.4.3 Non-reimbursement of funds lapsed from SDA – Rs 43.411 million

According to Government of the Punjab, School Education Department Letter No.SO(ADP)Review-418/420/2017-18 dated 24.02.2017, unspent funds, if any, on completion of a scheme, may be retrieved, for accounting/ audit purpose. No adjustments of savings against a scheme may be left for utilization on another scheme of the District Education Authority (DEA), under execution with the Executive Engineer (XEN) concerned. Final statement of expenditure against each scheme, on its completion, may be obtained duly verified by the XEN and Divisional Accounts Officer.

Development funds amounting to Rs 43.411 million for eight schemes regarding upgradation of schools were lapsed from the joint SDA of CEO, DEA and Deputy Commissioner, Toba Tek Singh on 30.06.2018 because the management of DEA could not devise plans and schemes for utilization of these funds which were lapsed due to non-utilization. CEO did not make strenuous efforts for recoupment of these funds from Government of the Punjab.

Audit is of the view that due to poor financial management, development funds for upgradation of schools were lapsed form SDA.

Lapse of funds amounting to Rs 43.411 million resulted in non-upgradation of schools and deprivation of the students from the envisaged benefits.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends retrieval of funds amounting to Rs 43.411 million from Government of the Punjab for early completion of schemes besides regularization of lapse.

[AIR Para: 2]

11.2.5.4.4 Less-retrieval of funds lapsed from SDA – Rs 13.729 million

According to Government of the Punjab, School Education Department Letter No. SO(ADP)Review-418/420/2017-18 dated 24.02.2017, unspent funds, if any, on completion of a scheme, may be retrieved, for accounting/ audit purpose. No adjustments of savings against a scheme may be left for utilization on another scheme of the District Education Authority (DEA), under execution with the Executive Engineer (XEN) concerned. Furthermore, according to Rule 68(1) of the Punjab District Authorities (Budget) Rules, 2017, the primary obligation of the Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority fund and to record entries under proper receipt head.

Audit observed that development funds amounting to Rs 59.424 million against reconstruction of dangerous school buildings, provision of missing facilities and upgradation of a high school to higher level were lapsed on 30th June, 2018 from the joint SDA of CEO, DEA & Deputy Commissioner, Toba Tek Singh and funds transferred to XEN Buildings Toba Tek Singh as deposit work were also lapsed. Subsequently, funds amounting to Rs 45.695 million were returned by Government of the Punjab during 2018-19 and balance funds amounting to Rs 13.729 million remained un-retrieved till 30.06.2019. The details are given below:

(Rupees in million)

Description	Funds Lapsed on 30.06.2018	Funds Received in 2018-19	Short Receipt
Reconstruction of dangerous school buildings	29.573	27.878	1.695
Provision of missing facilities /	13.034	6.000	7.034

Description	Funds Lapsed on 30.06.2018	Funds Received in 2018-19	Short Receipt
boundary walls			
Upgradation of GGHS to higher secondary level at Chak No. 178/GB	16.817	11.817	5.000
Total	59.424	45.695	13.729

Audit is of the view that due to weak financial management and negligence, concrete efforts were not made for retrieval of balance funds.

Non-retrieval of lapsed funds amounting to Rs 13.729 million resulted in non-completion of development schemes and deprivation of the students from the envisaged benefits.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends concrete efforts for retrieval of balance funds amounting to Rs 13.729 million from Government of the Punjab for early completion of schemes.

[AIR Para: 5]

11.2.5.4.5 Irregular expenditure on civil works without approval of design and specifications – Rs 5.760 million

According to Section 4.4.7 of the School Council Policy, 2007 read with Para 3.4.7 of Guidelines for Utilization of Non-Salary Budget (NSB) in Primary and Elementary Schools, development works shall be got executed according to the Government approved design and specifications.

Head teachers of 36 schools, under the administrative control of DEA, Toba Tek Singh incurred expenditure of Rs 5.760 million on construction of class rooms, soling, boundary walls, toilet blocks and repair of school buildings during 2009-19. However, works were executed without preparation of detailed design / estimates and approval of the same from the Competent Authority. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Funds Utilized
1	Headmaster, GHSS 379 JB, Toba Tek Singh	01	0.212
2	Deputy DEO (EE-M), Kamalia	07	0.814
3	Headmaster, GHSS 303 JB, Toba Tek Singh	01	0.316
4	Deputy DEO (EE-W), Gojra	27	4.418
Total		36	5.760

Audit is of the view that due to non-compliance of School Council Policy, civil works were executed without preparation/approval of detailed designs and specifications.

Execution of works without preparation/approval of design and specifications resulted in irregular expenditure amounting to Rs 5.760 million.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of expenditure from the Competent Authority besides fixing responsibility on the person(s) at fault.

[AIR Paras: 2, 6, 17, 14, 1]

11.2.5.4.6 Irregular cash withdrawals from bank – Rs 4.309 million

According to Rule 4(1)(b) of the Punjab District Authorities (Accounts) Rules, 2017, payments exceeding Rs 1,000 from Local Fund of a District Authority shall be made through crossed non-negotiable cheque.

Contrary to the above, two DDOs of DEA, Toba Tek Singh withdrew cash amounting to Rs 4.309 million from the DDO bank accounts during 2018-19 instead of making payments through crossed cheques, as the amount of each cheque exceeded the prescribed limit of Rs 1,000. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of Cheques	Amount
1	CEO, DEA, Toba Tek Singh	27	3.269
2	Deputy DEO (EE-M), Kamalia	24	1.040
Total		51	4.309

Audit is of the view that due to weak financial management, funds were drawn in cash from the bank.

Cash withdrawal amounting to Rs 4.309 million in violation of rules resulted in irregular withdrawals / payments.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of the matter from the Competent Authority besides fixing responsibility on the person(s) at fault.

[AIR Paras: 12, 16]

11.2.5.4.7 Expenditure through irregular School Councils – Rs 3.275 million

According to Section 3.3.2 of School Council Policy, 2007, tenure of School Council will be two years from the date of School Council notification, issued by AEO. Further, according to Para 3.1.1 of Notification No.SO(SNE) PMIU/2010(P) dated 11.03.2013 issued by Government of the Punjab, School Education Department, the School Council earlier comprising a minimum of 07 and a maximum of 15 members will be enhanced to a minimum of 09 and maximum of 17 members and general members. The total strength of the School Council has to be in odd number.

Audit observed that School Councils of 05 elementary schools remained working under administrative control of Deputy District Education Officer (EE-M) Toba Tek Singh even after expiry of tenure of two years. Hence, expenditure of Rs 3.275 million was incurred by irregular School Councils. The details are as under:

(Rupees in million)

Sr. No.	Name of Schools	Total Expenditure
1	GES 342 GB	0.354
2	GES 189 GB	1.265

Sr. No.	Name of Schools	Total Expenditure
3	GES 358 GB	0.382
4	GES 395 JB	0.485
5	GES 191 GB	0.789
Total		3.275

Audit is of the view that due to weak monitoring controls, School Councils remained working after expiry of prescribed tenure.

Incurrence of expenditure by the School Councils after expiry of their tenure resulted in irregular expenditure amounting to Rs 3.275 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

[AIR Para: 8]

11.2.5.4.8 Non-verification of GST due to non-submission of Returns – Rs 1.558 million

According to Para 4(b) of the Sales Tax Special Procedure (Withholding) Rules, 2007, the DDO concerned shall prepare the return for each month and forward the same to the collector, by the 15th of the following month along with other tax liability. Furthermore, according to Section 4(3) of the Rules *ibid*, the collector shall periodically ensure that the suppliers mentioned in the return filed by the withholding agents are filing returns and are duly declaring the supplies made to withholding agents.

Head teachers of 104 schools, under administrative control of District Education Authority, Toba Tek Singh made procurements from different suppliers. Purchasing authorities, being withholding agent, deducted 1/5th of Sales Tax but did not submit monthly returns to the FBR. Resultantly, deposit of

remaining 4/5th of GST amounting to Rs 1.558 million, by the suppliers, could not be verified by the Sales Tax Department. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Description	No. of Schools	Amount
1	Deputy DEO (EE-M), Kamalia	Purchase of furniture, white wash material, building material etc.	40	0.655
2	Deputy DEO (EE-M), Toba Tek Singh		23	0.781
3	Deputy DEO (EE-W), Gojra		40	0.091
4	HM GHS 303 JB		1	0.031
Total			104	1.558

Audit is of the view that due to negligence, monthly returns of GST were not submitted.

Non-submission of monthly returns might result in concealment of 4/5th GST amounting to Rs 1.558 million by the suppliers.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends verification of deposit of 4/5th of GST by the suppliers and taking up the matter with FBR.

[AIR Paras: 7, 7, 6, 6]

11.2.5.4.9 Non-realization of revenue – Rs 1.482 million

According to Rule 68(1) of the Punjab District Authorities (Budget) Rules, 2017, the primary obligation of the Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to the District Authority fund and to record entries under proper receipt head.

Audit observed that four DDOs of District Education Authority Toba Tek Singh could not realize revenue amounting to Rs 1.482 million on account of admission/tuition fee, sale of crops / vegetables, auction of trees, recovery of

liquidated damages, fine/penalty & fee for registration of private schools during 2009-19. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Nature of Revenue	Amount
1	Principal GHSS, 379 JB	Admission/tuition fee, sale of crops and vegetables	0.216
		Non-auction of trees	0.110
2	Deputy DEO(EE-W) Gojra	Non-recovery of liquidated damages	0.437
			0.041
3	Deputy DEO (M), Kamalia	Non-recovery of monitoring fines	0.049
4	CEO, DEA Toba Tek Singh		0.338
		Non-registration of Private schools	0.291
Total			1.482

Audit is of the view that due to weak financial management, efforts were not made to realize revenue.

Non-realization of revenue amounting to Rs 1.482 million resulted in loss to District Education Authority.

The matter was reported to the PAO and DDOs concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends strenuous efforts for early realization of revenue amounting to Rs 1.482 million.

[AIR Paras: 2, 7,1, 12, 6, 10, 11]

11.2.5.4.10 Irregular utilization of funds for repair & maintenance of residential building – Rs 1.469 million

According to Sr. No. 5 of Second Schedule to Rule 3 of the Punjab District Authorities (Delegation of Financial Powers) Rules, 2017, the CEO was empowered to accord Administrative Approval (for maintenance and repair works of residential and non-residential buildings) upto Rs 500,000. Furthermore, according to Government of the Punjab, Finance Department letter No.FD-D-II3(7)/92 dated 16.06.2007, the yardstick (on the basis of plinth area) for annual

grant of Maintenance and Repair (annual and special) of Buildings and Services has been revised w.e.f. 01.07.2007.

Chief Executive Officer, DEA, Toba Tek Singh allocated budget of Rs 1.500 million for repair of buildings in cost center TY 6196 of Principal / Headmaster Government Islamia Secondary School, Toba Tek Singh in revised budget for the F.Y. 2018-19. An amount of Rs 1.469 million was subsequently transferred to the XEN Buildings Division, Toba Tek Singh as deposit work for maintenance and repair of the residence of Principal. Audit observed that funds were transferred without getting the estimate administratively approved and also the cost was split by preparing 15 estimates, each below the financial limit of Rs 100,000 to avoid technical sanction from the Competent Authority. Furthermore, prescribed yardstick for maintenance and repair (M&R) was also not observed

Audit is of the view that due to weak financial management, budget was allocated and funds were transferred without observing the prescribed procedure.

Budget allocation and transfer of funds without observing the prescribed procedure resulted in irregular transfer / utilization of funds amounting to Rs 1.469 million.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report. Audit recommends to probe the matter besides regularization from the Competent Authority.

[AIR Para: 15]

11.2.5.4.11 Non-utilization of Non-Salary Budget – Rs 1.440 million

According to Paras 2.1, 2.4 and 2.6 of the Guidelines for Utilization of Non-Salary Budget (NSB) in Primary and Elementary Schools, allocation of proper funds is necessary to enable the schools for better education planning, management and delivery. School Councils will be bound to prepare School

Based Action Plan with consideration of allocated budget. The school Councils will keenly observe their necessities for preparation of detailed budget and rationally divide budget against relevant heads.

Head teachers of six primary and elementary schools, under the administrative control of Deputy District Education Officer (EE-M), Kamalia received funds amounting to Rs 2.534 million during 2018-19 under NSB. However, funds amounting to Rs 1.095 million only could be utilized by leaving remaining funds of Rs 1.440 million i.e. 57 percent unutilized. The details are given below:

(Rupees in million)

Sr. No.	Name of School	Allocation for the Year	Funds Utilized	Funds Not Utilized	Non-Utilization %age
1	GPS Mouza Bub	0.233	0.091	0.142	61%
2	GPS 738 GB	0.526	0.261	0.266	50%
3	GES 724 GB	0.460	0.154	0.306	66%
4	GES 716 GB	0.502	0.233	0.269	54%
5	GPS 54/2 Tukra	0.405	0.191	0.214	53%
6	GPS Fateh Muhammad Wala	0.408	0.165	0.243	60%
Total		2.534	1.095	1.440	57%

Audit is of the view that due to poor monitoring mechanism, allocated funds were not utilized.

Non-utilization of funds amounting to Rs 3.727 million resulted in depriving the students of envisaged benefits.

The matter was reported to the PAO and DDO concerned during July to October, 2019.

No DAC meeting was convened till finalization this Report.

Audit recommends regularization of the matter besides fixing responsibility on the person(s) at fault.

[AIR Para: 14]

12. District Education Authority (DEA) Khanewal

Chapter 1

Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts of District Education Authority Khanewal on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	10,448.127	8,052.420	(2,395.707)	-23%
Non-salary	136.596	91.949	(44.647)	-33%
Development	211.195	205.913	(5.282)	-3%
Sub Total	10,795.918	8,350.282	(2,445.636)	-23%

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 205.913 million against an allocation of Rs 211.195 million for development schemes of construction of school buildings, dangerous classrooms, provision of missing facilities and provision of IT labs in high schools and an amount of Rs 5.282 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 2,445.636 million was lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statements

(Certification Audit 2019-20)

The following issues surfaced during Certification Audit of District Education Authority Khanewal for the Audit Year 2019-20.

- Non transfer of amounting under deposit work and amounting to Rs 44.375 million
- Illegal payments to DDO instead through vendor amounting to Rs 2.20 million
- Loss to government due to non-deduction of GST and income tax Rs 415,561

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department Punjab. However, these issues have been reported in the audit certificate as emphases of matter.

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Khanewal was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicator	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Quality indicators LND test results	33	LND	81	86	Achieved

Indicator	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Core Indicator	34	Students attendance (Kachi-12)	91	94	Achieved
	35	Teacher Presence	90	95	Achieved
	36	Head Teacher Presence	90	94	Achieved
	37	Availability of boundary wall	98	100	Achieved
	38	Availability of drinking Water	95	99	Achieved
	39	Availability of Furniture	70	39	Not Achieved
	40	Classrooms observations	90	95	Achieved
Infrastructure Indicators	41	Safe Building	-	-	-
	42	NSB Time Lines	-	-	-
	43	NSB Utilization	90	83	Not Achieved
	44	Sufficiency of Toilets	69	74	Achieved
Retention Indicators	45	Retention (Kachi-12)	97	98	Achieved
Monitoring and management Indicators	46	School Hygiene	80	87	Achieved
Hot Line Complaints resolution Indicators	47	On Time resolution	90	100	Achieved

*Source: Data received from CEO (DEA) Khanewal

iii. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- Record of expenditure amounting to Rs 36.370 million was not produced in 01 case.
- Recoveries and overpayment amounting to Rs 85.580 million were pointed out in 34 cases.

- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 55.340 million was observed in 14 cases.
- Weak Internal Controls involving amount of Rs 4,472.320 million was noticed in 30 cases.
- Poor performance of the management having financial impact of Rs 18,133.340 million was found in 30 cases.

iv. Service Delivery Issues

From the Data analysis of DEA Khanewal following service delivery issues were observed:

- Availability of furniture was targeted 70%, while it could be achieved only 39%, student could not avail class room furniture despite provision of huge non-salary budget.
- NSB Funds utilization was targeted 90% but achieved only 83%. Delay in utilization of funds caused major hindrance in achievement of targets

v. Expectation Analysis and Remedial Measures

District Education Authority:

CEO (DEA) did not achieve its overall targets regarding availability of boundary wall, furniture, NSB in timely releases, retention of students (K-12). The management failed in optimal utilization of NSB funds. Furthermore, targets pertaining to AEOs visits, Students Attendance & Retention (1-5), Dangerous Building, etc. were not fixed. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and probity in use of development and non-development funds. Moreover,

this can be checked by holding accountable those who are responsible for such irregularities at appropriate forums.

- Shortage of teaching staff at different levels should be overcome.
- Efforts should be made for expediting the realization of various Government receipts and overpayments.
- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

12.1.1 Audit Paras

12.1.1.1 Non transfer of amounting under deposit work and amounting to Rs 44.375 million

Risk Categorization: High

Criteria:

According to Sr. Non4.9 of Accounting Policy and Procedure Manual read with section 4.9.10.4 pre-audit and accounting function regarding contractor / works payment of development works will be performed by the Divisional Accounts Officer posted by DG Accounts Lahore instead of District Accounts Officer. According to the Government of Punjab Finance Department Letter bearing number FD(W&M)21-1/2018-19/DEA/1010 dated 12th October 2018, the expenditures on the schemes may be incurred by the nominated executing agency after having the feasibility established and issuance of A.A. by competent authority and completion of all codal, procedural/ legal formalities. According to the Government of Punjab School Education Department Letter No. SO(ADP-1) Review-418/Release-420/2018-19 dated 4th April, 2019, it is further referred that under Rule-31 read with Rule 93(g) of DEA Accounts Rules 2017, permits Education Authority to execute the developments work through deposits works pertaining to school education department. Further according to the

Government of Punjab Finance Department Letter No.SO(H-1)1-41/2017(P&SHCD)(AD)(Prov) dated 4th April 2019, it was clarified that the Education Authority in absence of Engineering wing may opt for construction work executed in “Deposit Works” According to Rule 27, Punjab District Authority Accounts Rules 2017, the District Accounts Officer shall ensure the sanction of expenditures from a District Authority competent to sanction is available and no payment to the charge can be made if that is not sanctioned by the competent authority.

Facts:

District Accounts Officer- I Khanewal, did not release of funds as deposit works against development schemes of education department for the F.Y. 2018-19 and ignored even the instructions of Finance Department and forced to make the payment through the cast center of CEO Education Multan.

Audit is of the view that due to weak internal control, District Accounts Officer did not transfer the funds as deposit works.

Payment without the sanction of competent authority resulted in irregular payment of Rs 44.375 million

Recommendations:

Audit recommends matter should be referred to Secretary Finance for regularization and to take remedial action under intimation to Audit.

Management Response:

The matter was reported to the District Accounts Officer Khanewal in October, 2018. The District Accounts Officer Khanewal replied that The DAO release funds as deposit work against development schemes of school education department for the FY 2018-19 after the clarification received from the from government of the Punjab Finance Department letter No.SO(H-1)1-41/2017(P&SHCD)(AD) (Prov) dated 4th April 2019.

DAC Decision:

DAC discussed the matter in detail. Committee directed the DAO to get the record verified.

12.1.1.2 *Illegal payments to DDO instead through vendor amounting to Rs 2.20 million*

Risk Categorization: High

Criteria:

According to rule 2.33 of the PFR Vol-I, every Government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part. As per Sr. No.2.2.2.9 of Accounting Policy and Procedure Manual, DAO is responsible for pre-audit bills, issued payments and record government transactions in District.

Facts:

District Accounts Officer made the payment of Rs 2.20 million to the drawing and disbursing officer vide document number 1901137489 who just sanctioned for the payment of financial assistance to the family of the deceased Muhammad Raza Rana. The payment of was made only on the sanction of CEO without obtaining the approval document of Deputy Commissioner, succession certificate, death certificate, copy of ID Card of deceased and legal heirs etc.

Audit is of the view that due to weak pre-audit payments were irregularly issued to the DDO instead through the vendor without any supporting documents.

Payment without supporting documents resulted in irregular payment of Rs 2.20 million.

Recommendations:

Audit recommends regularization of irregular payments besides fixation of responsibility against persons at fault under intimation to Audit.

Management Response:

The matter was reported to the District Accounts Officer Khanewal in October, 2018. The District Accounts Officer Khanewal replied that payment of Financial Assistant to legal heirs of deceased persons is made through DDO to avoid any ambiguity. However, this office will remain vigilant to make payment to vendors in future.

DAC Decision:

DAC discussed the matter in detail. Chair directed to get the matter regularized from competent authority.

12.1.1.3 Loss to government due to non-deduction of GST and income tax Rs 415,561

Risk Categorization: High

Criteria:

According to sales tax ordinance 1990, 6th schedule branded imported computers are exempt from sales tax.

Facts:

Chief Executive Officer (DEA) Khanewal incurred expenditure of Rs 1.933 million vide document number 5100080039 on electrical wiring and networking for establishment of computers labs in 23 High Schools and 20 Middle schools during 2018-19. These items were not imported nor exempted from taxes. The payment was made without deduction of GST Rs 328,583 and income tax Rs 86,978. The payment without deduction of taxes Rs 415,561 resulted in loss to government. At the time of pre-audit DAO did not check that the bill submitted with malafide intentions by charging composite rate instead of separate rates of each item in the bill just to favour the contractor from deduction of income tax and sales tax at the cost of government revenue.

Audit is of the view that due to weak financial management, the Government funds were excessively paid.

Excess payment resulted in loss to the Government amounting to Rs 415,561.

Recommendations:

Audit recommends recovery of taxes amounting to Rs 415,561, besides fixing responsibility on the person(s) at fault, under intimation to Audit.

Management Response:

The matter was reported to the District Accounts Officer Khanewal in October, 2018. The District Accounts Officer replied that CEO (Edu) vide letter No. DAO/KWL/Admn/HM/722 dated 12.10.2019 has been requested to take necessary measures for prompt recovery of GST

DAC Decision:

DAC discussed the matter in detail. Committee directed the DAO to expedite recovery. Para kept pending till recovery.

Chapter 2

DEA Khanewal

12.2.1 Introduction

District Education Authority, Khanewal was established on 01.01.2017 under Punjab Local Government Act 2013. DEA Khanewal is a body corporate having perpetual succession and common seal, with power to acquire / hold property and enter into contract and may sue and be sued in its name.

The functions of District Education Authority, Khanewal as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise the primary, elementary, secondary and higher secondary schools, adult literacy and non-formal basic education, special education institutions of the Government in the District;
- implement policies and directions of the Government including achievement of key performance indicators set by the Government for education;
- ensure free and compulsory education for children of the age from five to sixteen years as required under Article 25-A of the Constitution;
- ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education as may be prescribed;
- undertake students' assessment and examinations, ranking of schools on terminal examination results and targets, promotion of co-curricular activities, sports, scouting, girl guide, red crescent, award of scholarships and conduct of science fairs in Government and private schools;
- approve the budget of the Authority and allocate funds to educational institutions;

- plan, execute and monitor all development schemes of educational institutions working under the Authority, provided that the Authority may outsource its development works to other agencies or school councils;
- constitute school management councils which may monitor academic activities;
- plan and finance maintenance of school, support enrolment and retention, arrange donation and finances, plan development and may perform any other role as may be prescribed; and
- perform any other function assigned by the Government, a Commission or a body established by law in the prescribed manner.

DEA Khanewal manages following educational facilities and institutes:

Description	No. of Education Institutes
Chief Executive Officer (Education)	1
District Education Officers (Secondary)	1
District Education Officer (EE-M)	1
District Education Officer (EE-W)	1
District Education Officers (Literacy)	1
Deputy District Education Officers (EE-M)	4
Deputy District Education Officers (EE-W)	4
Higher Secondary Schools (Boys & Girls)	29
High Schools (Boys & Girls)	185
Special Education Schools / Centres	7
Elementary Schools	354
Primary Schools	674
Mosque / Madrassa Schools	05

*Source: Data received from CEO (DEA) Khanewal

The following table shows detail of total & audited formations of DEA Khanewal:

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2018-19 (Rs in million)	Revenue / Receipts audited FY 2018-19 (Rs in million)
1	Formations	269	05	602.951	17.334
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

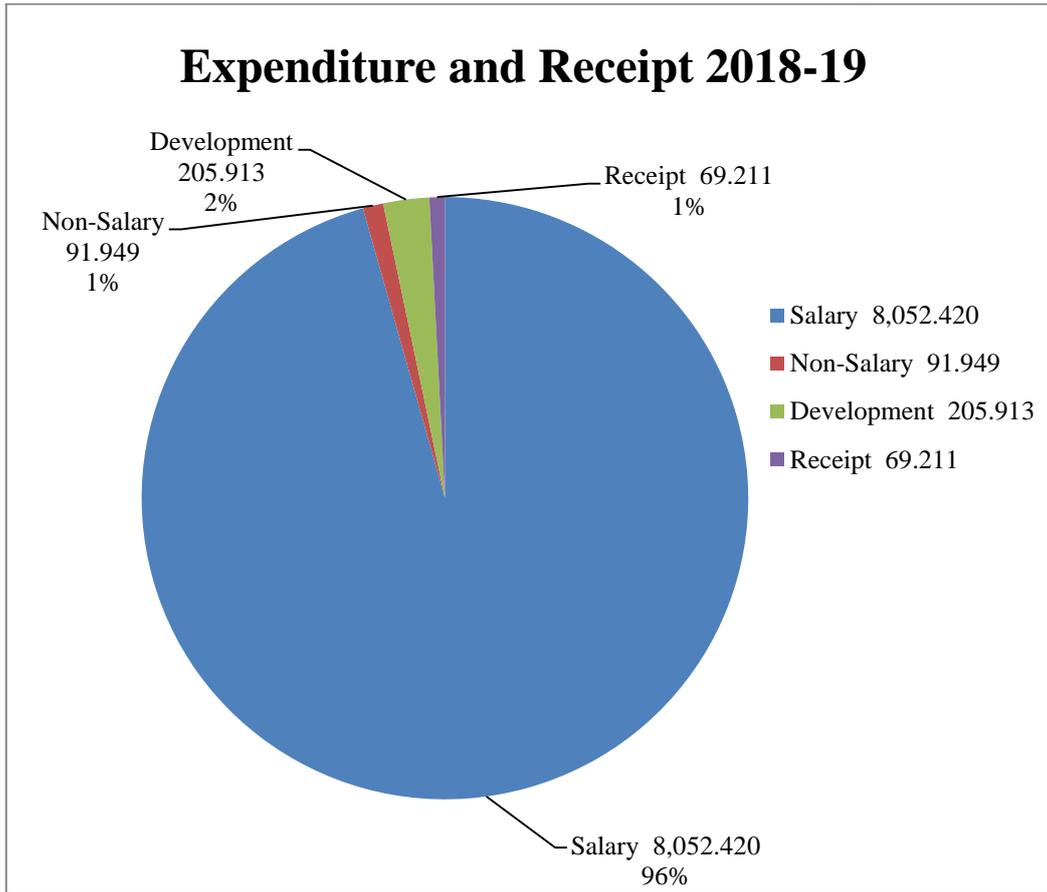
12.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in Million)

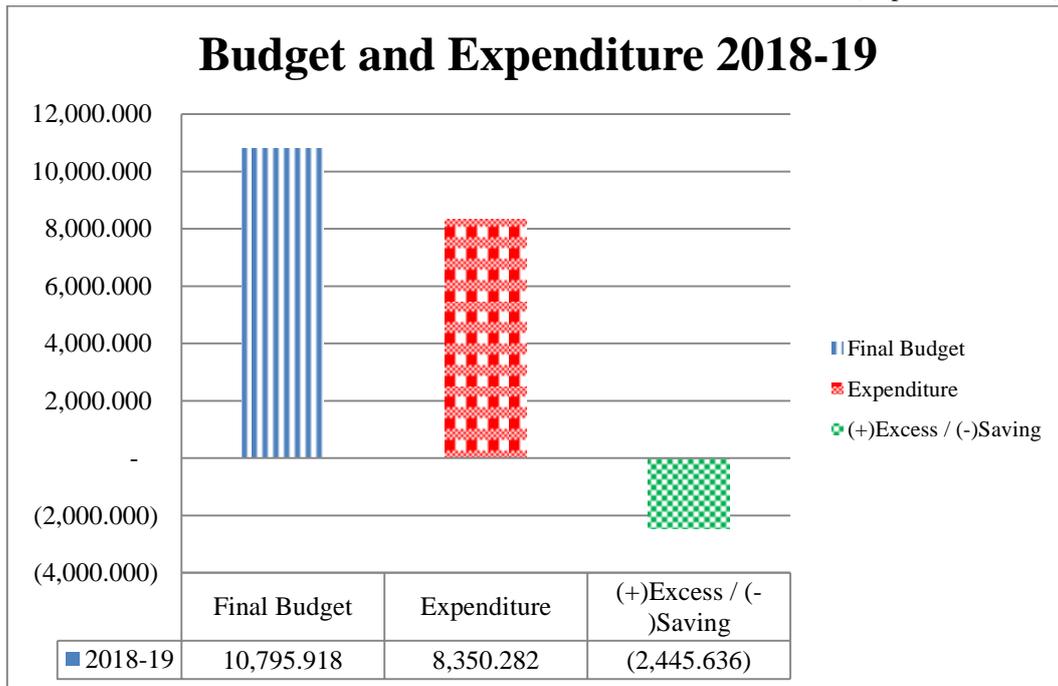
2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	10,448.127	8,052.420	(2,395.707)	-23%
Non-salary	136.596	91.949	(44.647)	-33%
Development	211.195	205.913	(5.282)	-3%
Sub Total	10,795.918	8,350.282	(2,445.636)	-23%
Receipts	100.306	69.211	(31.095)	-31%

(Rupees in Million)



As per the Appropriation Accounts for financial year 2018-19 of District Education Authority Khanewal, total original budget (Development and Non-Development) was Rs 10,269.333 million, supplementary grant was Rs 526.584 million and the final budget was Rs 10,795.918 million. Against the final budget, total expenditure of Rs 8,350.282 million was incurred by District Education Authority during financial year 2018-19. A saving of Rs 2,445.636 million came to the notice of Audit, which shows that the District Education Authority failed to provide basic education services to poor people. No plausible explanation was provided by the PAO. (**Annexure-B**)

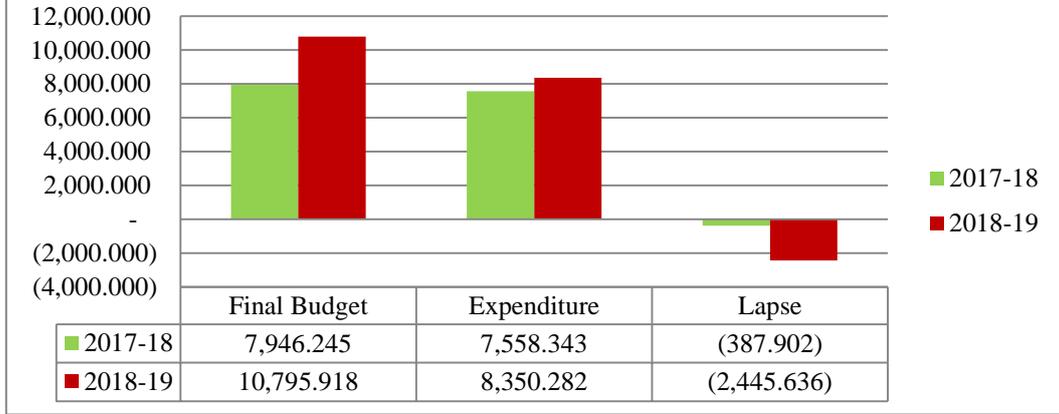
(Rupees in Million)



In Education Department savings of Rs 2,445.636 million (23% of allocation) occurred by over over estimating / releasing the budget against the vacant posts because no recruitment against these vacant posts was made during the financial year 2018-19. Further funds of School Management Council (SMC) were not utilized properly despite availability. The same resulted in depriving of the students / populace from necessary facilities, such as provision of furniture & fixture, laboratory equipment and civil work.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

Comparison of Budget and Expenditure 2017-18 & 2018-19



There was 36% and 10% increase in budget allocation and expenditure incurred in financial year 2018-19 as compared to financial year 2017-18, while there was overall savings of Rs 2,445.636 million during 2018-19.

12.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 22,657.140 million were raised as a result of this audit. This amount also includes recoverables of Rs 79.647 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs in million)
1	Non-production of record	36.374
2	Reported cases of fraud, embezzlement and misappropriation	0
3	Irregularities	0
A	HR / employees related irregularities	89.465
B	Procurement related irregularities	94.862
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	5.689
5	Others	22,430.750

12.2.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee.

Status of Previous Audit Reports

S. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2018-19	34	PAC meeting was not convened

12.2.5 AUDIT PARAS

12.2.5.1 Non-Production of Record

12.2.5.1.1 Non production of record – Rs 36.374 million

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “The Auditor General shall, in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts”.

Chief Executive Officer, District Education Authority, Khanewal did not produce auditable record of Rs 36.374 million pertaining to development schemes during 2018-19. The CEO DEA did not produce the important record like administrative approval, technical sanction of estimate, tendering process, work order, agreement and measurement books. No scheme wise record of expenditures, savings and refund of security deposit were produced to audit.

Audit is of the view that due to weak management the record was not produced.

Non production of record created doubts about the legitimacy of expenditure incurred and resulted in an attempt to cause hindrance in the auditorial functions of the Auditor General of Pakistan.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends production of record besides fixing responsibility on the person(s) at fault for non- production of record.

[AIR Para No. 22]

12.2.5.2 Irregularities

12.2.5.2.1 Excess expenditure from prescribed limit - Rs 46.471million

According to School Council Policy 2007 as amended 2003 in its edition of 2017 vide clause 4.9 stipulates mode of incurring of financials that school council funds will be utilized on prescribed purposes and during a financial year a school council can incur up to the maximum of four hundred thousand rupees; the approval of the same has been granted vide FD letter No. IT(FD)3-13/2002 dated 07.01.2004 and dated 29.01.2005. Moreover, according to Govt. of Punjab Education Department (School Wing) letter No. SO (SNE)PMU/2010 (P) dated 11.3.2013, the School Council shall be authorized to spend up to a maximum of four (04) lacs in one financial year i.e. July to June as per Notification number IT (FD)3-13/2002 dated 7.01.2004 and 29.1.2005 issued by Punjab Finance Department.

Head Teachers of following mentioned schools under administrative control of Deputy District Education Officer (EE-W) Kabirwala and Deputy District Education Officer (EE-W) Khanewal incurred Rs 30.091 million from NSB fund during the financial years as mentioned against each school in excess from prescribed limit. The school council was authorized to incur expenditure up to Rs 4 lac during financial year. The incurring of expenditure in excess from prescribed limit resulted in irregular expenditure. The detail is as under:-

(Rupees in million)

Sr. No	Formations	Amount
1	Deputy District Education Officer (EE-W) Kabirwala	8.982
2	Deputy DEO (EE-W) Khanewal	21.109
3	Dy. District Education Officer (EE-W) Mian Channu	16.380
Total		46.471

Audit is of the view that above irregularity occurred due poor internal and financial controls.

Incurring of excess expenditure from prescribed limit resulted in violation of government rules.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure besides fixing of responsibilities against the person at fault under intimation to audit.

[AIR Para No.13, 11& 17]

12.2.5.2.2 Irregular withdrawal of conveyance allowance during vacations and leave period– Rs 44.074 million

According to Rule 1.15(2) of the Punjab Travelling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time.

Following DDOs of DEA, Khanewal allowed irregular withdrawal of Rs 44.074 million to various staff during 2018-19 on account of conveyance allowance during winter / summer vacation and leave period. The detail is as under:

(Rupees in million)		
Sr. No.	DDO's	Amount
1	Chief Executive Officer, DEA Khanewal	36.754
2	Dy. District Education Officer (E.E.M), Kabirwala	1.082
3	Dy. District Education Officer (EE-W) Mian Chanu	1.623
4	Deputy District Officer (EE-F)Kabirwala	3.450
5	Deputy DEO (EE-M) Khanewal	1.076
Total		44.074

Audit is of the view that due to weak internal controls, conveyance allowance was paid during winter and summer vacations which was not due.

Payment of conveyance allowance during winter, summer vacations and during leave period resulted in undue payments and loss to the Government of Rs 44.074 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of conveyance allowance amounting to Rs 44.074 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No.17,2,4,5,1&1]

12.2.5.2.3 Unauthorized payment of social security benefits- Rs 30.594 million

According to Orders No.4343 / Admn-II dated 29.06.2016, No.5047 /Admn-II dated 12.08.2016, No.5048 / Admn-IV dated 12.08.2016, No.7998/Admn-II dated 15.12.2016 and No.4344/Admn-IV dated 29.06.2016 of District Education Officer (EE-W) Khanewal, Educators were regularized w.e.f 07.08.2015. The said educators were entitled to the payment of 30% social security benefit in Lieu of Pension or any other pay package being drawn by them during contract period.

Following DDOs of DEA, Khanewal did not recover excess payment on account of 30% social security benefit of Rs 30.594 million from the teachers whose services were regularized during 2018-19. The detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	CEO DEA Khanewal	18.748
2	Dy. District Education Officer (E.E-W), Mian Channu	0.515
3	Deputy District Officer (EE-F) Kabirwala	10.894
4	Deputy District Officer (EE-M) Khanewal	0.437
Total		30.594

Audit is of the view that due to weak financial management, excess payment made on account of 30% SSB was not recovered.

Non compliance of the Government instructions resulted in overpayment and loss to Government amounting to Rs 30.594 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 30.594 million, besides fixing responsibility on the person(s) at fault.

[AIR Para No. 19, 1 &9]

12.2.5.2.4 Irregular expenditure through splitting- Rs 22.577 million

According to serial No. 4 of NSB Guidelines 2014-15 issued by Government of the Punjab, Education Department, the School Councils will observe the Punjab Procurement Rules while incurring expenditure from NSB funds. The School Council may allow the Head Teacher to draw an amount for petty expenditure which should, in no case exceeded to Rs 5,000. If possible all payment exceeding Rs 10,000 should be made through cross cheques.

The Head of various school councils under the administrative control of Dy. DEO (EE-M) Kabirwala incurred an expenditure of Rs22.577 million out of NSB funds during 2018-19 by splitting the indents and to avoid the tendering process. The detail is as under:

(Rupees in million)

Sr. No.	DDOs		Amount
1	Dy. DEO (EE-M) Kabirwala	Purchase of various items	12.928
2	Dy. DEO (EE-M) Khanewal	Purchase of furniture on different dates	3.893
3	District Officer Literacy Khanewal	Stationary and books	0.329
4	Dy. District Education Officer (E.E-W), Kabirwala	Furniture & fixture and building material	4.385

5	Dy. DEO (EE-M) Khanewal	Repair of school buildings and preparation of kids room	1.042
Total			22.577

Audit observed the following irregularities during the course of audit:

- i. The entire expenditure was incurred by splitting the indents and small bills upto Rs 50,000 or below was drawn to avoid the tendering process.
- ii. The expenditure was incurred by cash withdrawal from bank in excess of permissible limit despite the fact that all registered firms have their bank accounts.
- iii. The date of bills of suppliers / traders did not match with the date of cash withdrawal which depicts that purchases were made / repair work was done from local market and later on, bills from registered firms were prepared to complete the codal formalities.
- iv. The bills were not signed by Co-Chairman / members of School Councils.
- v. No quality /quantity certificate of purchases made / work done was available on record.
- vi. Most of the schools did not enter the cash withdrawn from bank on receipt side of cash book.
- vii. GST was paid on building material, tablets, white wash material etc.
- viii. Temporary teachers, and other staff were hired from NSB funds but no agreement for hiring of staff was produced to Audit.
- ix. The deduction of Income Tax / Sales Tax was not properly monitored. The Sales Tax deposit proof provided by the firms was not authentic as the invoice number & date of bill did not match with the invoice number mentioned in the Annexure-C. Further, complete Annexure –C having FBR Bar Code were not produced to audit due to which Sales Tax deposit could not be verified.

- x. Procurement Plan as required under Guideline-4 was not prepared.
- xi. Proper Stock register of material purchased was not maintained on the given format.

Audit is of the view that due to weak monitoring, expenditure from NSB funds was incurred in an irregular manner.

Non observance of rules resulted in irregular expenditure of Rs22.577 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from competent authority besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 17, 9, 21, 17 &13]

12.2.5.2.5 Unjustified expenditure on construction / repair of school Buildings from NSB funds- Rs12.924 million

According to NSB Guidelines the School council will prepare the Development Plan of School as per Annexure-C of Form-6. One Copy of development plan will be sent to concern AEO. All the members of school council will monitor the development work of school and will ensure the quality, timely completion and low cost of project. The school council will incur expenditure on development work according to market rate or less than market rates. Further, on completion of scheme a completion report of scheme will be sent to Dy. DEO.

Following DDOs of DEA Khanewal incurred an expenditure of Rs12.924 million on account of construction of toilet block, white wash of class rooms and repair of school buildings during 2018-19.

(Rupees in million)

Sr. No	DDOs	Amount
1	Deputy District Officer (EE-M) Kabirwala	7.869
2	Deputy District Officer (EE-W) Mian Chanu	5.055
Total		12.924

Audit observed the following irregularities:

- i. No School Development plan identifying the need of school, quantity of material required, estimated cost of development work, completion time was prepared and submitted to AEO by the School Headmaster and Co-Chairman of the School Council.
- ii. The expenditure was done mostly by drawing simple bills below Rs 50,000 which depicts that expenditure was incurred without getting market rates.
- iii. No estimates of development work was presented before the school council prior to start of work but just the general approval of work to be done was obtained without mentioning the estimated cost of scheme.
- iv. A huge amount on account of labour charges was paid to contractor/vendors but no detail of labour hired was available on record.
- v. No muster roll of labour was maintained and payment was made on simple papers.
- vi. No monitoring of scheme by the School Council Members was available on record.
- vii. The bills were signed by the Headmaster only instead of all members of School schools.
- viii. No satisfactory completion reports of development schemes dully signed by the members of School councils were available on record.

- ix. No completion certificate of development scheme was sent to DDOs.
- x. No actual payee receipts were available on record.
- xi. No detail of old material /dismantled material was available on record.

Audit is of the view that due to weak administration, expenditure from NSB funds was incurred in irregular manner.

Non observance of guidelines of the Government resulted in unjustified expenditure of Rs12.924 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends that the matter be got regularized from the competent authority besides taking against the responsible under intimation to Audit.

[AIR Para No. 18&16]

12.2.5.2.6 Payment of pay and allowances without sanctioned posts - Rs 8.422 million

According to Para No.2.31 (a) of Punjab Financial Rules Vol-I, a drawer of bill of pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

Various DDOs of DEA Khanewal withdrew and paid salaries of Rs 8.422 million during 2018-19 despite the fact that there were no sanction posts in Budget Statement. Payment of salaries without sanctioned posts was irregular and requires regularization from the competent authority. The detail is as under:

(Rupees in million)

Sr. no.	Name of formation	Amount
1	Dy. DEO (EE-M) Kabirwala	4.322
2	Dy. District Education Officer (EE-W) MianChannu	4.100
Total		8.422

Audit is of view that due to weak management expenditure were made without available sanction posts.

Payment of salary without sanction post resulted in irregular expenditure of Rs 8.422 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization from competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para: 4 &9]

12.2.5.2.7 Irregular purchase from unregistered suppliers - Rs7.881 million

According to the Finance Bill, 2017 purchase should be made from firms registered under Income tax and Sales Tax department so that the applicable taxes can be properly accounted for.

The School Councils of various Elementary and Primary Schools of Deputy DEO (EE-M) Kabirwala purchased various items amounting to Rs7.881 million during 2018-19, out of NSB funds from unregistered suppliers in violation of instructions of the Government.

Audit is of the view that due weak supervision and close monitoring, schools purchases were made from unregistered suppliers out of NSB funds.

Purchasing from unregistered firms resulted in irregular incurring of funds.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification besides improvement of monitoring of funds, under intimation to Audit.

[AIR Para No.14]

12.2.5.2.8 Irregular payment of pay & allowances without obtaining sanction of Finance Department -Rs 4.040 million

According to Government of Punjab, Finance Department, Lahore letter No.No.FD(FR)(ACCOUNTS)A&A-II-1/74 dated 2.8.2000 that claims of arrears of pay and allowances other than T.A. more than six years old, require sanction from the Finance Department. Further, according to Punjab Delegation of Financial Power, 2016 (amended upto date) Sr. No.18 officer category-I can sanction in respect of T.A. claims not more than 3 years old, and other claims not more than 6 years old.

Chief Executive Officer, District Education Authority, Khanewal drew and paid Rs 4.040 million on account of arrears of basic pay, house rent allowance conveyance allowance, Adhoc Relief Allowance 2009, Adhoc relief-2010, Adhoc relief allowance-2011 and Adhoc Relief Allowance-12 during 2018-19. The allowances were paid without obtaining sanction from Punjab Finance Department. The DDOs cannot accord sanction for pay and allowances pertaining to more than six year old. The payment of pay & allowances without obtaining sanction of Punjab Finance Department resulted in violation of government rules.

Audit is of the view that due to weak financial control, claims of more than six year old were paid without obtaining sanction from Punjab Finance Department.

Payment of claims Rs 4.040 million more than six year old without obtaining sanction of Punjab Finance Department resulted in irregular payment.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends fixing of responsibility upon the person at fault besides regularization of expenditure.

[AIR Para No.6]

12.2.5.2.9 Uneconomical expenditure without quotations -Rs 3.169 million

According to Rule 59 (b) of the Punjab Procurement Rules, 2014, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees.

The heads of Elementary & Primary schools under the administrative control of Dy. District Education Officer (EE-W) MianChannu incurred expenditure amounting Rs 3.169 million during 2018-19 without quotation process in violation of above rules. The work was executed but no quotations called from market for healthy competition.

Due to weak internal controls, uneconomical expenditure was incurred without competition.

Un-economical expenditure of Rs 3.169 million resulted in violation of the Government rules.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification besides regularization of expenditure from the competent authority under intimation to Audit.

[AIR Para No. 15]

12.2.5.2.10 Irregular payment of adhoc relief allowance-2016-Rs 2.335 million

According to clarification issued by Government of the Punjab, Finance Department, Lahore, notification No. FD-PC 2-111///2016(279)(18) dated 02.05.2018, The adhoc relief allowance-2016 has been frozen and all new entrants who are appointed after 1.7.2017 are entitled 10% of original basic pay scale.

Chief Executive Officer, District Education Authority, Khanewal and its subordinate formations of DEA Khanewal allowed to withdraw adhoc relief allowance-2016 of Rs 2.074 million during 2018-19, to those teachers who were appointed after 1.7.2017. The said allowance was frozen on 1.7.2017 and is allowed to all new incumbents on initial basic pay of scale. The posts of teachers were up graded w.e.f. 1.1.2018. All those teachers who were appointed after 1.7.2017 were entitled adhoc relief at minimum of their original scale instead of up graded scale. But said allowance was paid on up graded scale. The payment of adhoc relief allowance upon up graded scale resulted in loss of Rs 2.335 million to government. The detail is as under:

(Rupees in million)

Sr. No	DDOs	Allowance	Amount
1	CEO, DEA Khanewal	Adhoc relief allowance-2016	2.074
2	Deputy District Officer (EE-F)Kabirwala	Adhoc relief allowance-2016	0.261
Total			2.335

Audit is of the view that due to weak internal controls, adhoc relief allowances were given in excess from prescribed limit.

Non compliance of Government instructions resulted in excess payment and loss to Government of Rs 2.335 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 2.335 million from concerned teachers besides fixing responsibility on the person(s) at fault.

[AIR Para No. 20 &7]

12.2.5.2.11 Unjustified payment of earth work without approved lead chart - Rs 1.840 million

According to Superintending Engineer of Local Government and Community development Punjab Lahore letter No.SE/LG&CD/5(25)/2015-16 dated 24.07.15, the exact quantity of earth work will be worked out after conducting leveling before executing of earth work in order to avoid possibility of any wrong payment besides preparation of lead chart of earth work showing borrowing areas specifying exact khasra and khatoni numbers.

Chief Executive Officer, District Education Authority, Khanewal got executed the different development works through X-EN Buildings Khanewal and made payment of earth work from outside source amounting Rs 1.840 million during 2018-19 but lead charts showing borrowing areas specifying exact khasra and khatoni numbers were not available despite lead of earth was paid up to 1 to 3 miles.

Audit is of the view that due to weak internal controls, earth work has been paid without preparation of lead charts showing borrowing areas specifying exact khasra and khatoni numbers.

Violation of instructions resulted in irregular payment of Rs 1.840 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification or corrective measures besides regularization of expenditure from the competent authority under intimation to Audit.

[AIR Para No. 9]

12.2.5.3 Value for Money and Service Delivery Issues

12.2.5.3.1 Non-deposit of GST inquiry thereof – Rs3.045 million

According to section 23 (a)(b)(c)(d)(e)(f) (g) of the Sales Tax Act. 1990, a registered person making a taxable supply shall issue a serially numbered tax invoice at the time of supply of goods containing the following particulars, namely, name, address and registration number of the supplier, name address and registration number of the recipient, date of issue of invoice, description and quantity of goods, value exclusive of tax, amount of sales tax; and value inclusive of tax. Further, according to Notification No D.O No. 5(21) L&P/97-4910(S)-FS sales tax return cum payment challan along with supporting documents required (S.R) under the provision of sales tax Act, 1990 in proof of payment / deposit of Sales Tax into government treasury are required to be received from the supplier.

School Councils of various Elementary and Primary school working under the administration of Dy. DEO (EE-M) Kabirwala incurred an expenditure of Rs3.045 million on account of purchase of furniture, construction material, sports material, paints and other store items during 2018-19. An amount of Rs3.045 million was paid to various suppliers on account of GST as detailed in Annex-U. The scrutiny of record revealed the following discrepancies:

- i. Most of the schools provided consolidated Sales Tax return / Annexure-C of purchases made during the years due to which the invoice wise GST paid could not be verified.
- ii. Only cover page and one page Excel sheet of annexure-C was produced to Audit instead of complete Sales Tax return showing the Bar Code of FBR at the end of return in the absence of which genuineness of return could not be assessed. There is every possibility that fake Annexure-C be provided to Schools without actual deposit of GST.
- iii. The Invoice No and Date of bill / invoice was hand written instead of machined number.

- iv. The invoice number mentioned on the Sales Tax return / Annexure-C did not match with serial No. of invoice / bill.
- v. M/s Hafees Traders, T.H Enterprises and M/s Al-Muhammad Traders issued combined Sales Tax invoice without date for various bills which were not allowed as per Sales Tax Act.
- vi. Similarly, the 1/5th GST deducted at source were also paid combined without mentioning the bill wise deduction of Tax.
- vii. No deposit proof of GST deducted from January to June, 2019 was produced to Audit. The Head teachers of schools intimated that deposit proof were awaited from supplier and would be shown on receipt. Audit checked GST on test check basis. The calculation of complete GST paid and its verification from FBR is the responsibility of department.

Audit is of the view that due to weak internal controls, Proper evidence of deposit of GST was not obtained from supplier.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends that complete record of GST from all schools be obtained and got verified from FBR authorities, under intimation to Audit.

[AIR Para No. 21]

12.2.5.3.2 Overpayment on account of income tax and sales tax- Rs 1.634 million

According to Income Tax Ordinance 2001 section 48 imported items are exempted from deduction of income tax at source. According to government of the Punjab Finance Department letter No. S.O Tax 1-19/97 dated 04-08-2007, department had to recover 1/5 of total sale tax. Remaining amount should be deposited by the suppliers and proof should be produced to audit.

Following DDOs of CEO DEA, Khanewal made overpayment to suppliers of Rs 1.634 million during 2018-19 on account of income tax and sales tax. Irrelevant import documents were attached without bills. The firms fail to provide import documents. The air conditioners were included in specified goods and sales tax is charged at manufacturer level. The customer was not charged sales tax. Non deduction of income tax Rs 670,665 at source without import documents and payment of sales tax on air conditioner Rs 325,848 resulted in excess payment to firms and loss to government.

The heads of Elementary & Primary schools under the administrative control of Dy. District Education Officer (EE-W) MianChannu incurred expenditure on account of purchase of such items which were exempted from sales tax and made over payment Rs 221,739 during 2018-19. The detail is as under:

(Rupees in million)

Sr. No.	Formation	Items	Amount
1	Chief Executive Officer (DEA) Khanewal	Deduction of income tax on the purchase of imported items	0.997
2		Non deduction of GST and income tax on purchase of electrical wiring and networking for establishment of computers labs	0.415
3	Dy. District Education Officer (EE-W) MianChannu	Overpayment on purchase of such items exempted from sales tax	0.222
Total			1.634

Audit is a view that due to weak financial control, government dues were not deducted.

Non deduction of income tax and sales tax resulted in loss to government Rs 1.634 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not

convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.634 million, under intimation to audit.

[AIR Para No.2, 3& 13]

12.2.5.3.3 Non recovery of liquidated damages -Rs 1.010 million

According to bidding document special term and condition Sr. No. 7, if tender is accepted, supplier will have to deliver the required items at the schools concerned as per enclosed list at his own expenses within stipulated time i.e 45 days after supply order. LD charges 2% applicable, however, authority is competent to extend supply period if reason are given genuinely.

Chief Executive Officer, District Education Authority, Khanewal failed to deduct liquidated damages Rs1.010 million from the bills of suppliers who failed to supply the items within stipulated time period during 2018-19. The payment was made without deduction of liquidated damages. Thus government suffers a loss of Rs 1.010 million due to non- deduction of liquidated damages. The detail is as under:

(Rupees in million)

Name of firms	Invoice No.	Date	Amount of bill	Amount of LD	Remarks
R&I Electric Appliance PVT Limited Faisalabad	2656	21.6.18	1,078,687	0.021	No import document shown
Office Automation Group	SLE-1806-01590	13.6.2018	1,355,399	0.027	No import document of printer B432DN-UK OKI and scanner Canon LIDE 120 shown
Ora Tech System Pvt Limited	LIS-700012	30.4.2019	39,759,340	0.795	No import document of 100 computer Inter Core i5 shown for Rs 6,650,000
Power Tech International	PTI-14985/18	25.6.18	5,819,580	0.116	Import document of 2015 was attached

Name of firms	Invoice No.	Date	Amount of bill	Amount of LD	Remarks
					instead of current import
Hafeez Traders	1035	31.5.19	2,530,943	0.051	-
Total				1.010	-

Audit is a view that due to weak financial control, government dues were not deducted.

Non deduction of liquidated damages Rs 1.010 million resulted in loss to government.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.010 million under intimation to audit.

[AIR Para No. 1]

12.2.5.4 Others

12.2.5.4.1 Unauthorized late approval of draft budget estimates— Rs 10,072.911 million

According to Rule 3 (K) of District Authorities Budget Rules 2017, the Chairman shall ensure that the estimates and revised budget estimates shall be laid before the District Authority well before the commencement of the next Financial Year. Further, according to Rule 4 (C) of District Authorities Budget Rules 2017, the Chief Executive Officer shall ensure that Budget estimates shall be submitted before the District Authority well before the commencement of the next Financial Year and budget so approved is distributed amongst DDOs by the commencement of the financial year.

Chief Executive Officer, District Education Authority, Khanewal did not take approval of draft budget 2018-19 for Rs 10,068.896 million well before the commencement of Financial Year. The draft budget estimates was approved on 30.07.2018. The revised budget was prepared and submitted to Deputy Commissioner /Administrator of Authority on 17.08.2019 after more than one and half month after commencement of F.Y 2019-20. It depicts that pay and allowances for the month of July, 2019 were paid without approval of budget of Authority.

Audit is of view that due to weak management draft of budget was not approved well on time.

Non observance of rules resulted in late approval of revised budget and Draft budget estimates of 2018-19.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification of late approval of budget estimates besides fixing responsibility on person(s) at fault.

[AIR Para No. 13]

12.2.5.4.2 Irregular preparation of revised budget estimates - Rs 7,975.752 million

According to Rule 61(1)(2)(6)(7) of Punjab District Authorities (Budget) Rules, 2017 the Chief Executive Officer the statement of excesses and surrenders shall be prepared by the Heads of offices or institutions and the budget and accounts office, after first eight months of the financial year on the basis of information given by the drawing and disbursing officers under their respective subordination. The statement of excesses and surrenders shall be prepared and submitted by the heads of offices or institutions to the budget and accounts officer. The budget and accounts officer shall consolidate the statements of excesses and surrenders and submit with recommendations to the Chief Executive Officer who shall, with the approval of the Chairman, include it in the revised budget. The form and manner in which the revised budget statement is presented to the District Authority shall be the same as that of the annual budget.

Chief Executive Officer, District Education Authority, Khanewal prepared revised budget estimates of Rs 7,975.752 million for FY 2018-19 without receiving /considering the statements of excesses & surrenders prepared and submitted by the heads of offices or institutions to Deputy Director (Budget & Accounts). Budget and Accounts Officer did not consolidate the same statements and submitted recommendations to CEO for approval of chairman to include the same in revised budget. Audit called for those copies of statements submitted by DDOs but it was replied that none of the DDO have submitted their 2nd excesses and surrender statements.

Audit is of the view that due to non-incorporation of demands / surrender statements of DDOs the draft budget / revised budget was prepared without any justification.

Improper budgeting resulted in defective monitoring control on the incurring of financial transactions.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification besides regularization of the irregularity under intimation to Audit.

[AIR Para No. 10]

12.2.5.4.3 Non-reconciliation of budget figures with DEA record and SAP R/3 record, Inquiry thereof – Rs 3,031.863 million

According to Para 6 (e)(j)(k)(l) of Punjab District Authorities (Budget) Rules, 2017 Budget and Accounts Officer is responsible to communicate grants, through SAP-R/3, to drawing and disbursing officers and institutions of the District Authority; to monitor the receipts and expenditure of the District Authority and institutions through System SAP R/3 and to maintain schedule of establishment of the District Authority, offices and institutions.

Chief Executive Officer, District Education Authority, Khanewal did not monitor the budget and expenditure of DEA Khanewal during 2018-19. Audit observed that no proper reconciliation of figures was made as the original budget as well as the revised budget figures as reflected in SAP R/3 system and books of accounts of DEA mismatch. A difference of Rs 206.067 million and Rs 2,825.796 million was noticed in original and revised budget figures, which needs proper justification. Necessary detail is given below:

(Rupees in million)

Particulars	As per DD Budget Record	As per SAP System Record	Difference
Original Allocation	10,068.896	10,274.963	206.067

Revised Budget / Final Grant	7,975.752	10,801.548	2,825.796
Total			3,031.863

Audit is of the view that due to poor budgeting and defective financial management the budget figures were not properly reconciled with figures of District Accounts Office System SAP R/3.

Non-reconciliation of budget figures creates doubt on the true and fair view of books of accounts and authenticity of incurring.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends strict disciplinary action against the responsible of such negligence / incompetence besides proper regularization of this irregularity.

[AIR Para No. 11]

12.2.5.4.4 Non-surrender of savings / lapse of non-development budget– Rs 850.607 million

According to Rule 54 of the Punjab Local Government (Budget) Rules 2003, if the expenditure under any head of account at the close of the year is less by more than 10% of the actual allocation the head of the office shall be responsible to explain such less expenditure to the satisfaction of the Accounts Committee concerned. Further, according to Para 14.3 of the Punjab Budget Manual, the head of departments should submit to the Finance Department the Statement of Excesses and Surrenders by the 31st March.

Following DDOs of DEA Khanewal did not surrender the available savings of Rs 850.607 million on account of salary and non-salary budget during the period 2018-19. Non-utilization of funds indicates poor budgeting and the needy formations were deprived of the funds. The detail is as under:

(Rupees in million)

Sr. No.	Name of formation	Amount
1	Chief Executive Officer DEA Khanewal	39.236
2	Dy. DEO (EE-M) Kabirwala	708.628
3	Deputy District Officer (EE-F) Kabirwala	102.743
Total		850.607

Audit is of the view that due to weak financial controls, funds were not utilized and savings were not timely surrendered.

Non utilization and non-surrender of savings amounting to Rs 850.607 million resulted in non-compliance of the Government rules.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization from competent authority besides fixing of responsibility on the person(s) at fault.

[AIR Para No.7,7 &3]

12.2.5.4.5 Unauthorized approval of budget without observing the minimum closing balance- Rs 403.855 million

According to Rule 34(b)(3) of the Punjab Local Government (Budget) Rules, 2017, the closing balance of Local Government shall not be allowed to fall 5% of the total receipts.

Chief Executive Officer District Education Authority Khanewal and Deputy Director (Budget and Finance) got approved the budget showing estimated receipts of Rs 10,068.896 million and estimated expenditure of Rs 10,068.896 million showing closing balance “Nil”. The closing balance of Rs 403.855 million was not kept in the accounts, as required rules. The defective budget was prepared without observing the closing balance. Preparation and approval of draft budget without closing balance resulted in violation of government rule.

Audit is view that due to weak financial control, budget was prepared without ensuring requisite closing balance.

Preparation and approval of budget without showing closing balance Rs 403.855 million resulted in violation of government rule.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends fixing of responsibility on the persons at fault besides regularization.

[AIR Para No. 14]

12.2.5.4.6 Withdrawal of funds from treasury without pre-audit – Rs 62.729 million

According to Para No.5 (b) of Controller General of Accounts (Appointment, Functions and Powers) Ordinance 2001, the function of the Controller General shall be to authorize payments and withdrawals from the Consolidated Fund and Public Accounts of the Federal and Provincial Governments against approved budgetary provisions after pre-audited checks as the Auditor-General may, from time to time, prescribe. Further, according to Government of the Punjab Finance Department letter No.SO (TT) 6-1/2013 (2015) dated 15.07.2015, no withdrawals from Special Drawing Accounts are permissible as advance withdrawals or for en-block transfer of funds in commercial banks / Development Financial Institutions (DFIs). Withdrawals from the Special Drawing Accounts shall only be admissible, if these are required to meet validly accrued liabilities / booked expenditure, duly pre-audited, where so required.

Deputy DEO (EE-M) Kabirwala, District Khanewal, did not properly monitor the incurring of NSB funds of Rs 62.729 million during 2018-19. Audit scrutinized various drawbacks of irregular withdrawal of funds and non-deposit of taxes by suppliers in Government treasury due to drawl without pre-audit.

Funds of Rs 62.729 million were withdrawn from treasury without pre-audit of claims in violation of above rules.

(Rupees in million)

Sr.No	Formations	Amount
1	Dy. DEO (EE-M) Kabirwala	25.911
2	Deputy DEO (EE-M) Khanewal	36.818
Total		62.729

Audit is of the view that due weak internal control and defective financial management funds were withdrawn from treasury without pre-audit.

Withdrawal of funds Rs 62.729 million without pre-audit of claims is sheer violation of rules and resulted in irregular withdrawal.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of irregularity besides improvement of financial controls regarding NSB funds under intimation to Audit.

[AIR Para No.13 &10]

12.2.5.4.7 Irregular re-appropriation of funds against NIL budget allocation-Rs 33.033 million

According to Sr.No.8 (ii) Note 1 (ii) of Punjab Delegation Power 2016 “No expenditure shall be incurred on a scheme unless there is a provision in the development budget of the year.

Chief Executive Officer, District Education Authority, Khanewal allocated of Rs 33.033 million against NIL budget allocation in original estimates. The allocation of budget against nill budget resulted in violation of above mentioned rule.

Audit is of the view that due to weak internal controls the budget allocation followed by incurring of expenditure was made against those heads for which no provision of funds were made initially.

Incurring of expenditure Rs 33.033 million against those heads for which no initial provision of funds was made is irregular.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends for regularization of the irregularity under intimation to Audit.

[AIR Para No. 12]

13. District Education Authority (DEA) Lodhran

Chapter 1

Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts of District Education Authority Lodhran on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	4,245.408	3,974.891	(270.517)	-6%
Non-salary	192.358	65.455	(126.903)	-66%
Development	78.689	72.830	(5.859)	-7%
Sub Total	4,516.455	4,113.176	(403.279)	-9%

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 72.830 million against an allocation of Rs 78.689 million for development schemes of construction of school buildings, dangerous classrooms, provision of missing facilities and provision of IT labs in high schools and an amount of Rs 5.859 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 403.279 million was lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statements (Certification Audit 2019-20)

The following issues surfaced during Certification Audit of District Education Authority Lodhran for the Audit Year 2019-20.

- Non Reconciliation between Payment Figures of Bank & Appropriation Account Rs 96.521 Million
- Non Reconciliation between Public Accounts Receipts & Payment figure of Financial Statement & Finance Account of Rs 44.959 Million
- Difference in Budget figures of Financial Statement & Appropriation Account of Rs 41.756 million.
- Non Reconciliation between Cash Balance of Bank at Head Office Karachi & in the Books of DAO Rs 0.078 Million
- Non Maintenance of Statement of Fixed Assets

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department Punjab. However, these issues have been reported in the audit certificate as emphases of matter.

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Lodhran was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicator	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Quality indicators LND Test Results	48	LND	82	85	
Core Indicator	49	Students attendance (Kachi-12)	92	91.94	
	50	Teacher Presence	90	96.25	

Indicator	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
	51	Head Teacher Presence	90	95.18	
	52	Availability of boundary wall	98	100	
	53	Availability of drinking Water	95	99.86	
	54	Availability of Furniture	70	89.94	
	55	Classrooms observations	80	96.62	
Infrastructure Indicators	56	Safe Building	98	99.86	
	57	NSB Time Lines	90	NT	
	58	NSB Utilization	90	92.52	
	59	Data Health	90	96.13	
	60	Sufficiency of Toilets	86	97.38	
Retention Indicators	61	Retention (Kachi-12)	97	99.52	
Monitoring and management Indicators	62	School Hygiene	80	92.57	
	63	Partial Facility	1	0.99	
Hot Line Complaints resolution Indicators	64	On Time resolution	90	92	

*Source: Data received from CEO (DEA) Lodhran

iii. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- Record of expenditure amounting to Rs 3.323 million was not produced in 06 cases.

- Recoveries and overpayment amounting to Rs 56.450 million were pointed out in 48 cases.
- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 21.447 million was observed in 14 cases.
- Weak Internal Controls involving amount of Rs 290.763 million was noticed in 39 cases.
- Poor performance of the management having financial impact of Rs 320.980 million was found in 35 cases.

iv. Service Delivery Issues

From the Data analysis of DEA Lodhran no service delivery issues were observed.

v. Expectation Analysis and Remedial Measures

District Education Authority:

CEO (DEA) did not achieve its overall targets regarding availability of boundary wall, furniture, NSB in timely releases, retention of students (K-12). The management failed in optimal utilization of NSB funds. Furthermore, targets pertaining to AEOs visits, Students Attendance & Retention (1-5), Dangerous Building, etc. were not fixed. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and probity in use of development and non-development funds. Moreover, this can be checked by holding accountable those who are responsible for such irregularities at appropriate forums.
- Shortage of teaching staff at different levels should be overcome.

- Efforts should be made for expediting the realization of various Government receipts and overpayments.
- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

13.1.1 Audit Paras

13.1.1.1 Non Reconciliation between Payment Figures of Bank & Appropriation Account Rs 96.521 Million

Criteria:

According to paras 2.2.2.9 & 6.3.4.2 of APPM, the District Accounts Officers are responsible for the accounting functions of the districts and every DAO shall prepare a monthly reconciliation statement for expenditure and receipts.

Fact:

During audit of District Accounts Office Lodhran, it was found that there was difference of Rs. 96.521 million between the payments Made by Bank & Expenditure Booked in the Appropriation Account for the Period of 2018-19.

(Amount in rupees)

Period	Receipts		Payments
	Allocation	Receipts	Expenditure
Jul-18	320090000	349949	289,066,547
Aug-18	336828000	477953	290,647,206
Sep-18	1374805	347110000	297,507,423
Oct-18	339647000	1027419	311,278,025
Nov-18	336393000	521867	295,986,959
Dec-18	361338620	553970	312,596,791
Jan-19	367787000	2391018	313,991,581
Feb-19	338095000	666219	505,576,292
Mar-19	339531700	669145	304,867,301
Apr-19	16404000	329839	325,664,195

Period	Receipts		Payments
	Allocation	Receipts	Expenditure
May-19	329,349,000.00	279,788.00	385,732,805
Jun-19	673107000	11710560	383,739,923
Total Payment as per Bank statements			4,016,655,048
Expenditure As per Appropriation Account			4,113,176,326
Difference			96,521,278

Recommendations:

Audit is of the view that due to weak internal control excess payment than budget allocated was allowed

Management response:

It is submitted that Accounts are being prepared directly from SAP System on gross basis and while the payment figures on net basis. Bank payments include both CF and PA while appropriation account include only CF payment. So the Observation may be settled.

DAC Decision:

Matter is referred to representative of Adl AG Mr. Khalid (AAO) will get the record verify before Audit regarding reconciliation of figures. Para kept pending

13.1.1.2 Non Reconciliation between Public Accounts Receipts & Payment figure of Financial Statement & Finance Account of Rs 44.959 Million

Criteria:

According to paras 2.2.2.9 & 6.3.4.2 of APPM, the District Accounts Officers are responsible for the accounting functions of the districts and every DAO shall prepare a monthly reconciliation statement for expenditure and receipts.

Fact:

During audit of District Accounts Office Lodhran, it was found that there was difference of Rs 44.959 million between the Receipts & Payment figures of Public Funds of Financial statement & Finance Account for the Period of 2018-19.

Head of Account	DEA ACCOUNT –V		
	Amount as per SAP	Amount as per Financial Statement	Difference
	(Rs. in '000")	(Rs. in '000")	(Rs. in '000")
Trust & other public account-Receipts	-7,734,284.90	-7,779,243	44,958
Total			44,959

Recommendations:

Audit recommends reconciliation be made under intimation to audit.

Management response:

It is submitted that Accounts are being prepared directly from SAP System and there is no chance to differ amounts in Financial Statement & Appropriation Account. So the Observation may be settled.

DAC Decision:

Matter is referred to representative of Adl AG Mr. Khalid (AAO) will get the record verify before Audit regarding reconciliation of figures. Para kept pending.

13.1.1.3 Difference in Budget figures of Financial Statement & Appropriation Account of Rs 41.756 million.

Criteria:

According to paras 2.2.2.9 & 6.3.4.2 of APPM, the District Accounts Officers are responsible for the accounting functions of the districts and every DAO shall prepare a monthly reconciliation statement for expenditure and receipts.

Fact:

During examination of Financial Statement & appropriation Account, it was found that there was difference in figures of Budget of Rs 41.756 million as detailed mentioned below:

(Amount in rupees)

Description	As per Appropriation Account Page NO.VII	As per FS Page No.04	Difference
Original	4495626169	4478749000	16,877,169
Revised	4516455145	4491576000	24,879,145
Total			41,756,314

Recommendations:

Audit recommends investigation of matter be made and reasons for difference be traced under intimation to Audit.

Management response:

It is submitted that Accounts are being prepared directly from SAP System and there is no chance to differ amounts in Financial Statement & Appropriation Account. So the Observation may be settled.

DAC Decision:

Matter is referred to representative of Adl AG Mr. Khalid (AAO) will get the record verify before Audit regarding reconciliation of figures. Para kept pending.

13.1.1.4 Non Reconciliation between Cash Balance of Bank at Head Office Karachi & in the Books of DAO Rs 0.078 Million

Criteria:

According to paras 2.2.2.9 & 6.3.4.2 of APPM, the District Accounts Officers are responsible for the accounting functions of the districts and every DAO shall prepare a monthly reconciliation statement for expenditure and receipts.

Fact:

There was difference of Rs. 0.078 million between the closing cash balance in the books of accounts of DAO and closing Cash balance in the SBD Head office Karachi (As Cash Balance is reported by the Accountant General of Punjab vide letter No. SBD Pb& DGP/CB/HM, dated; 26.09.2019) for the period of 2018-19.

(Amount in rupees)

Cash Balance of Account –V			
DAO Books of A/C	Local Bank NBP/ SBP	SBP HO Karachi	Difference
173,854,437	173,854,437	173,775,873	78,564

Recommendations:

Audit recommends the difference of the amount be sorted out and correct figure be reported under intimation to Audit.

Management response:

It is submitted that there is no difference in cash balance of NBP and this office as mentioned in audit observation. However this office will also communicate to NBP regarding difference between NBP and State Bank.

DAC Decision:

Matter is referred to representative of Adl AG Mr. Khalid (AAO) will get the record verify before Audit regarding reconciliation. Para kept pending.

13.1.1.5 Non Maintenance of Statement of Fixed Assets

Criteria:

According to Section 2.2.7 of the Financial Reporting Manual a statement of fixed assets should be prepared for each reporting period.

Fact:

Examination of record of the office of DAO, Lodhran for the year 2018-19 revealed that Statement of Fixed Assets was not being prepared.

Recommendations:

Audit recommends that the statement of fixed assets be prepared on a regular basis.

Management response:

It is submitted that Accounts are being prepared as per approved format by the Auditor General of Pakistan for one year only. So the Observation may be settled.

DAC Decision:

Pending till the figures of assets communicated by department as per DAC decision. Para kept pending.

Chapter 2

DEA Lodhran

13.2.1 Introduction

District Education Authority Lodhran was established on 01.01.2017 under Punjab Local Government Act 2013. DEA Lodhran is “a body corporate having perpetual succession and common seal, with power to acquire / hold property and enter into contract and may sue and be sued in its name”.

The functions of District Education Authority, Lodhran as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise the primary, elementary, secondary and higher secondary schools, adult literacy and non-formal basic education, special education institutions of the Government in the District;
- implement policies and directions of the Government including achievement of key performance indicators set by the Government for education;
- ensure free and compulsory education for children of the age from five to sixteen years as required under Article 25-A of the Constitution;
- ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education as may be prescribed;
- undertake students’ assessment and examinations, ranking of schools on terminal examination results and targets, promotion of co-curricular activities, sports, scouting, girl guide, red crescent, award of scholarships and conduct of science fairs in Government and private schools;
- approve the budget of the Authority and allocate funds to educational institutions;

- plan, execute and monitor all development schemes of educational institutions working under the Authority, provided that the Authority may outsource its development works to other agencies or school councils;
- constitute school management councils which may monitor academic activities;
- plan and finance maintenance of school, support enrolment and retention, arrange donation and finances, plan development and may perform any other role as may be prescribed; and
- perform any other function assigned by the Government, a Commission or a body established by law in the prescribed manner.

DEA Lodhran manages following educational facilities and institutes:

Description	No. of Education Institutes
Chief Executive Officer (Education)	1
District Education Officers (Secondary)	1
District Education Officer (EE-M)	1
District Education Officer (EE-W)	1
District Education Officers (Literacy)	1
Deputy District Education Officers (EE-M)	3
Deputy District Education Officers (EE-W)	3
Higher Secondary Schools (Boys & Girls)	14
High Schools (Boys & Girls)	97
Special Education Schools / Centers	4
Elementary Schools	138
Primary Schools	495

*Source: Data received from CEO (DEA) Lodhran

The following table shows detail of total & audited formations of DEA Lodhran:

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2018-19 (Rs in million)	Revenue / Receipts audited FY 2018-19 (Rs in million)
1	Formations	233	07	305.951	9.449
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

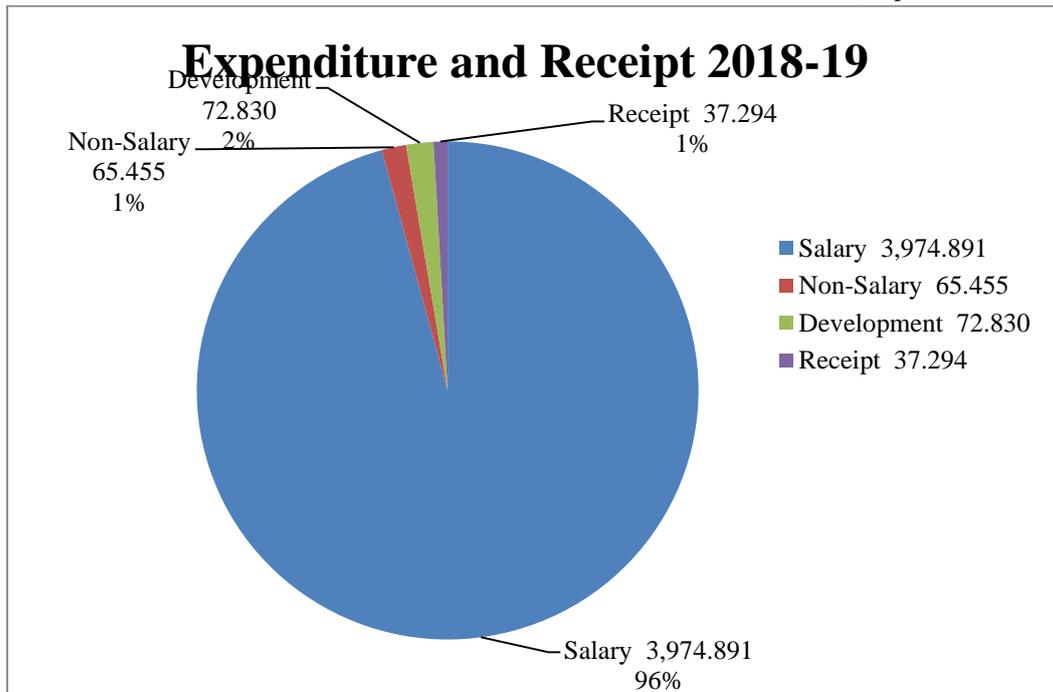
13.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in million)

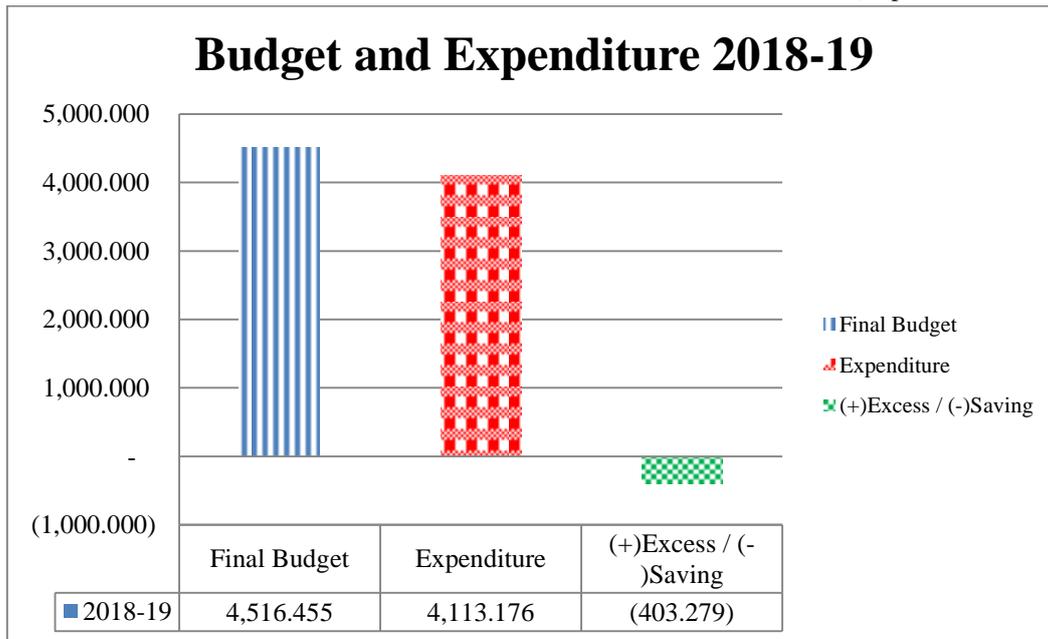
2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	4,245.408	3,974.891	(270.517)	-6%
Non-salary	192.358	65.455	(126.903)	-66%
Development	78.689	72.830	(5.859)	-7%
Sub Total	4,516.455	4,113.176	(403.279)	-9%
Receipts	53.277	37.294	(15.983)	-30%

(Rupees in million)



As per the Appropriation Accounts for financial year 2018-19 of District Education Authority Lodhran, total original budget (Development and Non-Development) was Rs 4,495.626 million, supplementary grant of Rs 20.829 million was provided and the final budget was Rs 4,516.455 million. Against the final budget, total expenditure of Rs 4,113.176 million was incurred by District Education Authority during financial year 2018-19. A saving of Rs 403.279 million came to the notice of Audit, which shows that the District Education Authority failed to provide services and infrastructure development. No plausible explanation was provided by the PAO and management of District Education Authority Lodhran. **(Annexure-B).**

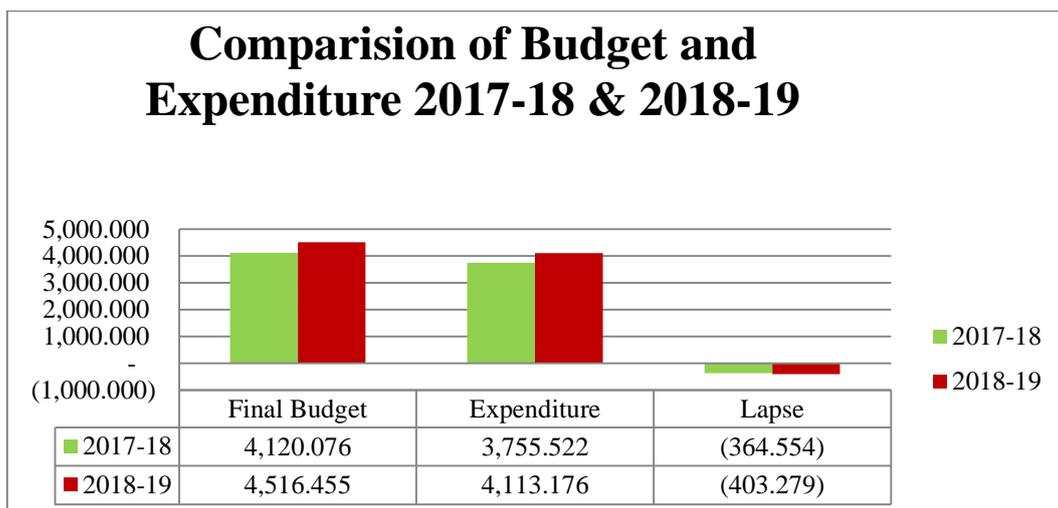
(Rupees in Million)



In Education Department savings of Rs 403.279 million (9% of allocation) occurred by over estimating / releasing the budget against the vacant posts because no recruitment against these vacant posts was made during the financial year 2018-19. Further funds of School Management Council (SMC) were not utilized properly despite availability. The same resulted in depriving of the students / populace from necessary facilities, such as provision of furniture & fixture, laboratory equipment and civil work.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

Comparision of Budget and Expenditure 2017-18 & 2018-19



There was 10% and 10% increase in budget allocation and expenditure incurred respectively in Financial Year 2018-19 as compared to Financial Year 2017-18 while there was overall savings of Rs 403.279 million during 2018-19.

13.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 625.030 million were raised as a result of this audit. This amount also includes recoverables of Rs 8.044 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs in million)
1	Non-production of record	3.361
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Irregularities	-
A	HR / employees related irregularities	189.946
B	Procurement related irregularities	76.648
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	64.789
5	Others	290.286

13.2.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to the following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee.

Status of Previous Audit Reports

S. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2018-19	31	PAC meeting was not convened

13.2.5 AUDIT PARAS

13.2.5.1 Non Production of Record

13.2.5.2.1 Non production / maintenance of record – Rs 3.361 million

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts.

The following DDOs under the jurisdiction of Chief Executive Officer (DEA) Lodhran did not produce the record of inspection allowance of Rs 3.361 million during 2018-19 despite various verbal and written requests. This resulted in doubtful payment of Rs3.361 million. The detail is given below:

(Rupees in million)

Sr. No.	Name of Office	Period	Amount
1	Dy. DEO (EE-M) Lodhran	2018-19	1.500
2	Dy. DEO (EE-M) KehroorPacca	2018-19	1.861
Total			3.361

Audit is of the view that due to weak internal controls and willful evasion from audit, record was neither properly maintained nor produced for audit verification.

Non production of record created doubts regarding legitimacy of expenditure incurred amounting Rs 3.361million.

The matter was reported to the CEO of District Education Authority and DDO s concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides production of record to Audit for verification.

[AIR Para No. 15&03]

13.2.5.2 Irregularities

13.2.5.2.1 Irregular payment of Pay & allowances without availability of sanctioned posts of same scales in the Budget Book-Rs 77.51 million.

According to letter No. FD-101-14/779(Finance) -1 of the Govt. of Punjab Finance Department Date 6th June-2017, Governor of the Punjab has been pleased to upgrade the posts of Primary school teacher (PST) , Elementary school teacher (EST) in relaxation of ban on up-gradation of posts with effect from 01.01.2018.

Sr. No.	Name of the Post	Existing BS	Upgraded BS
1	Primary School teacher (PST)	9	14
2	Elementary School teacher (EST)	14	15

Dy. DEO (EE-M) Kehroor Pacca of DEA Lodhran, allowed pay and allowances of Rs 77.51million against the un-upgraded posts in the budget book for the Financial year of 2018-19.Posts of Primary School Teachers & Elementary School Teachers were upgraded from BS-9 to BS-14 & BS-14 to BS-15. But such posts were not upgraded in the budget book of the cost center LT-6013. Primary School Teacher Seats were reflecting of BS-09 in Budget book and Elementary School Teachers seats were reflecting BS-14. The teachers were paid of Rs 77.51 million according to the upgraded scales prescribed by the letter above. Drawl of salary was irregular and requires the regularization from the FD. Detail of payment is given bellow:

(Rupees in million)

Cost Center	Name of post	BS	No. of post	No. of post	Increase in post
-	EST	14	59	59	17.976
LT-6013	PST/ESE	9	282	342	70.732
	Class-IV		15	68	6.784
Total					77.517

Audit is of view that due to weak management unjustified payment of salary of the higher scale without availability in the budget book was given.

Drawl of huge amount of salary without availability in the budget resulted irregular drawl of salary of Rs77.51 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends that regularization of the expenditure be made under besides fixing the responsibly on the Person(s) at fault intimation to Audit.

[AIR Para No. 09]

13.2.5.2.2 Irregular Drawl of arrears of pay & allowances without allocation of separate Budget- Rs 52.565 million

According to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer shall be responsible the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Following DDOs of DEA Lodhran allowed drawing arrears of salary of Rs 52.565 million to the employees of the different DDOs of its jurisdiction during Financial Year 2018-19. No case of pending salary was put up and no separate budget was released for withdrawal of pending pays. Neither budget was released nor was the approval of cases made by the CEO office Lodhran. Huge amount of arrears were drawn without any check and balance.

(Rupees in million)

Sr. No.	Name of DDOs	Amount
1	CEO (Education)	22.711
2	Dy. DEO (EE-W) Dunyapur	1.012
3	Dy. DEO (EE-M) KehroorPacca	13.75
4	Dy. DEO (EE-M) Dunyapur	15.092
Total		52.565

Audit is of view that due to weak management unjustified excess fake claim of arrear bills were drawn without release of separate budget.

Withdrawal of huge amount of arrear bills may result into fake claims of arrear bills and loss to Government of Rs 52.565 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDOs did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends that responsibility be fixed and recovery of the amount be made under intimation to Audit.

[AIR Para No. 06,03,05,20]

13.2.5.2.3 Unauthorized expenditure by School Councils beyond permissible limit – Rs 30.522 million

According to Punjab District Authority Rules 2017 rule 11 and 11(h) “ The Chief executive Officer Shall be responsible for proper maintenance of departmental accounts and financial discipline of district authority, subordinate offices , institutions and is responsible for arranging internal control. Further, according to School Council Policy 2007 as amended 2003 in its edition of 2017 vide clause 4.9 stipulates mode of incurring of financials that school council funds will be utilized on prescribed purposes and during a financial year a school council can incur up to the maximum of four hundred thousand rupees; the approval of the same has been granted vide FD letter No. IT(FD)3-13/2002 dated 07.01.2004 and dated 29.01.2005. Moreover, according to Govt. of Punjab Education Department (School Wing) letter No. SO (SNE)PMU/2010 (P) dated 11.3.2013, the School Council shall be authorized to spend up to a maximum of four (04) lacs in one financial year i.e. July to June as per Notification number IT (FD)3-13/2002 dated 7.01.2004 and 29.1.2005 issued by Punjab Finance Department.

Various School Councils of high and higher Secondary schools working under the administrative control of DEO Secondary, incurred expenditure beyond their permissible limit of Rs 400,000 which resulted in irregular expenditure of Rs. 30.522 million during financial year 2018-19. Chief Executive Officer (PAO - DEA) Lodhran neither developed any mechanism regarding internal audit of the expenditure incurred by heads of school through school council nor monitor the expenditure incurring by school councils out of NSB funds as various school councils. Irregular expenditure of Rs 30.522 million was made above the permissible limit. **Annexure – C/LDN**

Audit is of the view that due to the weak financial management the school councils have incurred funds beyond their powers.

Incurring of funds beyond permissible limits resulted in irregular expenditure of Rs 30.522 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends strict action against person(s) at fault besides regularization of expenditure under intimation to Audit.

[AIR Para No. 04]

13.2.5.2.4 Unauthorized expenditure by School Council on repair of Building – Rs 28.88 million

According to School Council Policy 2007 as amended 2003 in its edition of 2017 vide clause 4.9 stipulates mode of incurring of financials that school council funds will be utilized on prescribed purposes and during a financial year a school council can incur up to the maximum of four hundred thousand rupees; the approval of the same has been granted vide FD letter No. IT(FD)3-13/2002 dated 07.01.2004 and dated 29.01.2005.

Following DDOs of DEA Lodhran did not properly monitor the incurring of expenditure by school councils. School Councils spent Rs 28.88 million by incurring expenditure beyond permissible limit of Rs 0.400 million during 2018-19. The detail is as under:

(Rupees in million)

Sr. No	Name of Office	No of Schools	Amount
1	Dy. DEO (EE-W) Dunyapur	13	6.043
2	Dy. DEO (EE-M) Lodhran	15	7.773
3	Dy. DEO (EE-M) Dunyapur	24	15.064
Total			28.88

Audit is of the view that due the weak financial management, the school councils incurred expenditure beyond admissible limit.

Incurring of expenditure beyond permissible limits resulted in irregular expenditure of Rs 28.88 million.

The matter was reported to the CEO District Education Authority and DDO s concerned in August, 2018. DDOs did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from competent authority besides fixing responsibility on person(s) at fault.

[AIR Para No. 14,01, 01]

13.2.5.2.5 Unjustified payment of SSB allowance due to non-regularization of contract employees – Rs 28.194 million

According to Punjab District Authority Rules 2017 rule 11 and 11(h) “ The Chief executive Officer Shall be responsible for proper maintenance of departmental accounts and financial discipline of district authority, subordinate offices, institutions and is responsible for arranging internal control. Further, according to Section 3(2) of the Punjab Regularization of Service Act, 2018, issued vide notification No. PAP/Legis-2(197)/2018/1753 dated 30.04.2018, “the contract employees who has continuously been serving as such for a period **not less than 04 years** on the

commencement of the Act i.e. 30.04.2018, shall be eligible to be considered for appointment on regular basis, if a regular vacancy allocated for initial recruitment is available for regularization. He is qualified for the post. He has not been appointed on a special pay package. His performance during the period of contract has remained satisfactory, and he does not opt to continue as contract employee. Further, Services & General Administration Department, Lahore vide Notification No. SO (ERB) (S&GAD)/5-19/2018 dated 18.05.2018 has also directed that the Punjab Regularization of Service Act, 2018, be implemented immediately.

Chief Executive officer of DEA Lodhran did not take appropriate steps in compliance of the above mentioned service act which resulted in unjustified payment of Rs. 28.194 million in the shape of payment of SSB allowance.

Audit is of the view that due to weak internal controls, the Punjab Government instructions have not been complied with despite of lapse of more than one year.

Payment of Social Security Benefit 30% to contractual employees resulted into excess expenditure of the Government amounting to Rs 28.194 million.

The matter was reported to the CEO of District Education Authority and DDO s concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of contract employees who fulfilled the required criteria as per Punjab Regularization of Service Act, 2018, under intimation to Audit.

[AIR Para No. 19]

13.2.5.2.6 Irregular doubtful expenditure from NSB funds – Rs 13.768 million

According to serial No. 4 NSB Guidelines 2014-15 issued by Government of the Punjab, Education Department, the School Councils will observe the Punjab Procurement Rules while incurring expenditure from NSB funds. The School Council may allow the Head Teacher to draw an amount for petty expenditure which should, in no case exceeded to Rs 5,000. If possible all payment exceeding Rs 10,000 should be made through cross cheques.

The Head of various school councils under the administrative control of Dy. DEOs of DEA Lodhran, incurred an expenditure of Rs 13.768 million out of NSB funds during 2018-19.

(Rupees in million)

Sr. No.	DDO Description	Amount
1	Dy. DEO (EE-W) Dunyapur	5.706
2	Dy. DEO (EE-M) Dunyapur	2.992
3	Dy. DEO (EE-M) Lodhran	1.046
4	Dy. DEO (EE-M) KehroorPacca	2.900
5	GHS Haveli Naseer Khan	1.124
Total		13.768

Audit observed the following irregularities:

- i. The entire expenditure was incurred by splitting the indents and small bills upto Rs 50,000 were drawn to avoid the tendering process.
- ii. The expenditure was incurred by cash withdrawal from bank in excess of permissible limit despite the fact that all registered firms have their bank accounts.
- iii. The date of bills of suppliers / traders did not match with the date of cash withdrawal which depicts that purchases were made / repair work was done from local market and later on, bills from registered firms were prepared to complete the record.

- iv. The bills were not signed by Co-Chairman / members of School Councils.
- v. No quality /quantity certificate of purchases made / work done was available on record.
- vi. Most of the schools did not enter cash withdrawn from bank on receipt side of cash book.
- vii. Temporary teachers, and other staff were hired from NSB funds but no agreement for hiring of staff was produced to Audit.
- viii. The deduction of Income Tax / Sales Tax was not properly monitored. The Sales Tax deposit proof provided by the firms was not authentic as the invoice No. & Date of bill did not match with the invoice not mentioned in the Annexure-C.
- ix. Procurement Plan as required under Guideline-4 was not prepared.
- x. Proper Stock register of material purchased was not maintained on the prescribed format.

Audit is of the view that due to weak monitoring control the NSB funds were not incurred as per NSB Guidelines.

Non compliance of Government instructions resulted into irregular expenditure of Rs13.768 million.

The matter was reported to DDO in the month of November, 2019. DDO signed the observation for compliance. No progress was intimated till the finalization of this Audit Report.

Audit recommends regularization of irregularity besides improvement of financial discipline regarding NSB funds under intimation to Audit.

[AIR Para No. 16,12,11,07]

13.2.5.2.7 Unjustified withdrawal of pay without date of joining – Rs 10.690 million

According to Punjab District Authority Rules 2017 rule 11 and 11(h) “ The Chief executive Officer Shall be responsible for proper maintenance of departmental accounts and financial discipline of district authority, subordinate offices , institutions and is responsible for arranging internal control. Further, according to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the Drawing and Disbursing Officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Chief Executive Officer (DEA) Lodhran allowed to draw pay amounting to Rs 10.690 million during 2018-19 for different staff of various DDOs. The withdrawal of pay was unjustified as no date of joining of the employees was mentioned in the HR data. Due to which the actual date of appointment of staff and their pay and allowances could not be assessed by Audit.

Audit is of the view that due to weak management pay & allowances were paid without date of joining.

Payment without date of joining resulted into in unjustified payment of pay and allowance of Rs. 10.690 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2018. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends correction of HR data in the payroll or the stoppage of fund, under intimation to Audit.

[AIR Para No. 20]

13.2.5.2.8 Un-authorized increase of number of Posts involving pay & allowances - Rs 8.040 million

According to letter No. FD (DG) 1-84/2012 , 18-07-2016 of the FD, Para 5(VI) No posts should be recommended for creation by Finance Department provided the District Government's ability to meet consequent financial implications are properly determined.

The Chief Executive Officer DEA Lodhran increased 268 posts in Budget Book 2018-19 without the approval of Finance Department. Difference of 268 number of posts was observed while comprising of sanctioned posts as mentioned in the budget book of 2018-19 and 2018-19. However the approval of Finance Department regarding creation of 303 new posts were not produced to audit as reflected in the budget book of 2018-19. The estimated budget of pay and allowances of these posts was calculated as Rs 8.040 million as detail below:

(Rupees in million)

No of Post in Budget book 2018-19	No of Post in Budget book 2018-19	Difference	Average pay and allowances	Amount
9213	8945	268	30,000	8.040

Audit is of the view that due to weak management, posts were increased without approval of Finance Department.

Increase in No. of posts without approval of Finance Department resulted in irregular expenditure on pay and Allowance amounting Rs 43500 approximately.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends responsibility be fixed and regularization of the posts be made under intimation to Audit.

[AIR Para No. 03]

13.2.5.2.9 Unjustified payment of social security benefits -Rs 6.228 million (SSB)

According to Punjab District Authority Rules 2017 rule 11 and 11(h) “ The Chief executive Officer Shall be responsible for proper maintenance of departmental accounts and financial discipline of district authority, subordinate offices , institutions and is responsible for arranging internal control. Further, According to Para No. 1 of letter dated 1st March-2013 of the Government of The Punjab Service & General Administration Department (Regulations Wing) , The Chief Minister, Punjab, in exercise of the powers conferred upon him by rule 23 of the Punjab Civil Servants (Appointment and conditions of service) Rules, 1974 is please to order appointment of employees in BS-1 to 15, recruited on contract basis against the post presently held by them in various government departments of the Punjab on regular basis. According to Para No. 05, the salary component of such employees shall be in accordance with the pay scales plus the usual allowances prescribed for the posts against which they are being appointed. They will , however not be entitled to the payment of 30% social security benefit in Lieu of Pension or any other pay package being drawn by them.

Chief Executive Officer (PAO-DEA) Lodhran allowed drawing of SSB allowance to Rs. 6.228 million to those employees who were regularized in compliance of above mentioned order. The employees were either regularized w.e.f either on 19.10.2009 or 07.08.2015 but they continued drawing of SSB allowance since their regularization. However, no deduction/recovery of the said allowance was made from the concerned.

Audit is of the view that due to weak internal controls, 30% SSB Allowance was paid to employees despite directions of government for regularization of staff.

Unjustified payment of SSB allowances resulted into loss to government amounting Rs 6.228 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDO did not submit the reply. DAC meeting

was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends responsibility be fixed and recovery /regularization of the expenditure be made under intimation to Audit.

[AIR Para No.11]

13.2.5.2.10 Irregular payment of Pay and Allowances due to non-fixation of Pay –Rs 4.702 million

According to Finance Department's Notification No FD-PR-21-3/2013 dated 23.09.2013, recovery on account of wrong withdrawal of advance increments by school teachers for higher qualification is waived off. However, the pay of teachers will be re-fixed accordingly. Further, according to Finance Department letter No. FD-PR-21-3/2013 dated 17.11.2014 it is clarified that wrong drawl of advance increments is waived of up to 23.09.2013 and the amount drawn on account of advance increments is after this date is recoverable and the withdrawal of advance is related to all school teachers. Hence the deadline for waiving of advance increments is 23.09.2013.

Dy. DEO (EE-M) Dunyapur of DEA Lodhran paid salaries of teachers without re-fixing of salaries of teachers in the light of above mentioned Finance Department directives. Non-fixation of pay and allowances of teachers resulted in irregular payment of Rs 4.702 million on account of advance increments for higher qualification after 23.09.2013.

Audit is of the view that due to weak monitoring controls, the pay of teachers was not fixed in the light of FD directive.

Non-fixation of pay and allowances of teachers resulted in irregular payment of Rs 4.702 million on account of advance increments for higher qualification.

The matter was reported to the CEO District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting

was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends re-fixation of salaries of teachers and recovery of overpaid additional increments from concerned.

[AIR Para No.02]

13.2.5.2.11 Uneconomical purchase without advertisement– Rs 3.478 million

According to Chapter II Rules 8 of Punjab Procurement Rules 2014, a procuring agency shall, within one month of commencement of a financial year, devise planning for all proposed procurements. Rules 9 of ibid states that a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without splitting or regrouping of procurements so planned.

Various School Councils under the administrative control of Dy. DEO (EE-W) Dunyapur incurred expenditure of Rs3.478 million on account of purchase of different items without advertisement on PPRA website or in the newspapers in violation of rules. All purchases were made uneconomical and without open competition. Purchases were made in uneconomical way without advertisement from the two suppliers as mentioned below:

(Rupees in million)

Sr. No.	Name of Contractor	Nature of Items	Amount
1	Muzammal Traders	Petty Purchases	2.439
2	Abdullah Associate	Petty Purchases	1.039
Total			3.478

Audit is of the view that due to weak management, expenditure was incurred in violation of Punjab Procurement Rules.

Non-compliance of Government instructions resulted in uneconomical expenditure of Rs 3.478 million.

The matter was reported to the CEO District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting

was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing responsibility on person(s) at fault.

[AIR Para No. 18]

13.2.5.2.12 Irregular withdrawal of pay and allowances more than sanctioned Post - Rs 2.017 million

According to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer shall be responsible the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Dy. DEO (EE-M) Kehroor Pacca of DEA Lodhran, allowed pay and allowances of Rs 2.017 million in excess than the sanctioned post during 2018-19. The comparison of sanctioned posts with HR/SAP data revealed that pay and allowances of following posts was drawn in excess than the availability of posts. Detail is as under:

(Rupees in million)

Cost Center	Name of Seat	Sanction Post	Working Post	Excess	Amount
LT6013	OT / AT Teacher	0	2	2	2.017

Audit is of view that due to poor management, unjustified excess withdrawal of pay and allowances was made than the sanctioned posts.

Irregular payment of salaries than the sanctioned posts resulted in irregular payment of Rs 2.017 million.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened

despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter, recovery of amount from concerned besides fixing responsibility on person(s) at fault.

[AIR Para No.08]

13.2.5.3 Values for Money and Services Delivery Issues

13.2.5.3.1 Non-utilization of funds-Rs 54.815 million

According to Rule 8 (1)(b) of Punjab District Authorities (Budget) Rules, 2017 the drawing and disbursing officer shall be responsible for incurrence of expenditure strictly against the allocation under the relevant object code and in accordance with the rules.

The Heads of various Elementary and Primary Schools under the jurisdiction of following DDOs of DEA Lodhran were granted NSB grants to meet the needs of students, but funds of Rs 54.815 million remained unutilized in the bank accounts of the schools which depicts either the funds were transferred to schools in excess of their requirement or poor management of Head of schools and weak monitoring of AEOs due to which funds could be utilized for the betterment of students. The detail is as under:

(Rupees in million)

Sr. No.	Name of DDO	AIR Para No.	Amount
01	Dy. DEO (EE-W) DunyaPur	19	20.078
02	Dy. DEO (EE-M) Lodhran	02	11.266
03	Dy. DEO (EE-M) DunyaPur	06	23.471
Total			54.815

Audit is of the view that due to poor monitoring controls, NSB funds allocated to School Councils could not be utilized.

Non utilization of funds by the school councils resulted in blockage of funds amounting Rs 54.815 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends corrective measures for utilization of funds besides fixing responsibility on person(s) at fault.

[AIR Para No. 19, 02, 06]

13.2.5.3.2 Irregular retention of development funds provided for construction of class rooms-Rs. 3.699 million

According to Government of the Punjab Finance Department letter No.SO (TT) 6-1/2013 (2015) dated 15.07.2015, no withdrawals from Special Drawing Accounts are permissible as advance withdrawals or for en-block transfer of funds in commercial banks / Development Financial Institutions (DFIs).

Following school councils of primary schools working under administrative control of Dy. DEO (EE-F) Duynapur did not utilized the Rs 3.699 million which was allocated during Financial Year 2016-17. The funds were provided for construction of rooms in the schools. The funds were not utilized till the date of audit and lying idles in bank accounts of school. The detail is as under:

(Rupees in million)

Sr.No.	EMIS Code	School Name	Level	No. of Improvised Class Rooms	Total
1	36630205	GGPS TABBI LAL SHAH	Primary	1	0.411
2	36630267	GGPS 289 WB PO QUTAB PUR	Primary	2	0.822
3	36630289	GMPS 323 WB	Primary	1	0.411
4	36630321	GGPS 1-4/MPR	Primary	1	0.411
5	36630324	GGPS 368/WB	Primary	1	0.411
6	36630331	GGPS 389/W.B GARBI	Primary	1	0.411
7	36630340	GMPS 46/M	Primary	2	0.822
Total				9	3.699

Audit is of the view that due to poor monitoring controls, funds allocated to School Councils could not be utilized.

Non utilization of funds by the school councils resulted in blockage of funds amounting Rs 3.699 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting

was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends corrective measures for utilization of funds besides fixing responsibility on person(s) at fault.

[AIR Para No. 12]

13.2.5.3 Irregular expenditure by school council on – Rs 2.466 million

According to Government of the Punjab, School Education Department Order No SO(SNE) PMIU/2013 (NSB) an amount of Rs 16.850 million were allocated for improvised class rooms to elementary and secondary schools of tehsil Dunyapur during 2016-17. Later on vide letter dated 02.06.2017 it was directed that such funds should not be utilized and make necessary arrangements to surrender the same. According to the contents of an E-mail dated 23.11.2018 DMO Lodhran forwarded the message of PMIU regarding non-incurring and withdrawal of NSB funds provided for improvised classrooms.

Deputy District Education Officer (EE-M) Dunyapur did not monitor the incurring of funds as per departmental guidelines during 2018-19. Four different schools have incurred the funds of Rs 2.466 million provided for improvised classrooms against the standing directions of Department.

Audit is of the view that due to weak management, monitoring of expenditure was not made.

Non monitoring of expenditure resulted into irregular expenditure of Rs 2.466 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends strict disciplinary action against persons at fault under intimation to Audit.

[AIR Para No. 19]

13.2.5.3.4 Non-imposition of penalty due to non-completion of development scheme within stipulated time – Rs. 1.993 million

According to Punjab District Authority Rules 2017 rule 11 and 11(h) “ The Chief executive Officer shall be responsible for proper maintenance of departmental accounts and financial discipline of district authority, subordinate offices, institutions and is responsible for arranging internal control. Further, according to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the Drawing and Disbursing Officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Chief Executive Officer (DEA) Lodhran did not recover amount of Rs. 1.993 million from the Xen building which was required to be recovered from the contractors who were granted the various development works of school buildings but they failed to complete the work well in time as no refund was made to DEA Acc – V despite late completion of work.

Audit is of the view that due to weak financial management recovery was not made on account of penalty due to late completion of work.

Non completion of schemes well in time resulted in increase of cost and also loss of plenty revenue to Government of Rs. 1.993 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends fixation of responsibility on the person(s) at fault besides recovery of the amount under intimation to Audit.

[AIR Para No. 02]

13.2.5.3.5 Non-imposition of penalties on private schools running without registration –Rs 1.816 million

According to law of Punjab private educational institutions (Promotions and regulation) ordinance 2016 promulgated 6th February, 2016 vide section 2(1) the section 3 of Punjab private educational institutions (Promotions and regulation) ordinance 1984 has been amended as under: the owner of every institution shall get it registered from registering authority before starting the business of the institution. Moreover vide clause 6(3) of the ordinance that if any owner in charge / owner of a private institution found running its institution without valid registration the in charge shall be liable to punishment of fine which may extend to four million but which shall not be less than three hundred thousand rupees.

Chief Executive Officer (DEA) Lodhran neither fined the school which were being run without renewal/registration nor took legal action against them which resulted in loss of Rs 1.816 million to District Education Authority during Financial Year 2018-19. Detail is as under:

(Rupees in million)

Sr. No	Name of School	Address	Registration fee	Inspection fee	Minimum fine	Total recovery	Remarks
1	Al-gazali public school	Noor shah gilanikehrorpacca	-	500	300,000	0.3005	School not renewed their registration
2	Iman Public middle school	Chakliaqatabadlodhran	-	1,500	300,000	0.30,5	
3	Executive boys higher secondary school	Do kota road dinapur	-	1,000	300,000	0.301	
4	shahbir pilot public school	Gogran	-	1,500	300,000	0.3015	
5	RoshanSitara public school	Matrain, Lodhran	5,000	500	300,000	0.3055	School not registered and being
6	Alnoor public school	Saalsadar Lodhran	5,000	500	300,000	0.3055	

Sr. No	Name of School	Address	Registration fee	Inspection fee	Minimum fine	Total recovery	Remarks
							run illegally
Total						1.816	

Audit is of the view that due to defective administrative control over privately managed schools unregistered schools were running business.

Non-renewal / non-registration of private schools resulted in loss to Government amounting Rs 1.816 million.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of amount from concerned besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.01]

13.2.5.4 Others

13.2.5.4.1 Expenditure in excess of budget allocation and non-surrender of savings - Rs 96.005 million

According to Rule 5(2) (a) & (b) of the District Authorities Budget Rules 2017, the Head of office is responsible for all matters relating to the budget for the office under his administrative control, ensure strict financial control. Further, according to Rule 6(f) the Budget and Accounts Officer is responsible to monitor expenditure and ensure utilization of funds as approved by the District Authority.

Deputy District Officer (E.E-M) Dunyapur of DEA Lodhran incurred excess expenditure than the allocated budget amounting to Rs 9.277 million and did not surrender the savings amounting to Rs 86.727 million during 2018-19 in the different detailed object heads. The funds were allocated under Cost Center LT-6008 and LT-6014 by the District Health Authority.

Audit is of the view that due to weak financial controls, expenditure was incurred in excess of budget allocation and funds not required were not surrendered and lapsed.

Non compliance of Government instructions resulted into improper budgeting amounting to Rs 96.005 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification or regularization from the competent authority, under intimation to Audit.

[AIR Para No. 23]

13.2.5.4.2 Un-authorized revised allocation of funds against ‘Nil’ Budget- Rs 82.857 million

According to Rule 5(2) (a) & (b) of the District Authorities Budget Rules 2017, the Head of office is responsible for all matters relating to the budget for the office under his administrative control, ensure strict financial control.

The Chief Executive Officer DEA Lodhran allocated funds Rs 82.857 million to those head of accounts for which there was no budget allocation / appropriation was made in the original budget estimate. Revised allocation was made against NIL budget appropriation during the period 2018-19 in violation of rules.

Audit is of the view that due to weak financial management the budget allocation was made against ‘NIL’ allocations.

Allocation of funds against Nil budget heads resulted in irregular allocation of funds Rs 82.857 million.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit would stress for proper justification, regularization from competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No.10]

13.2.5.4.3 Non-conducting of post completion evaluation of projects – Rs 78.255 million

According to the Government of Punjab, Local Government and Rural Development Department letter No.SOV(LG)5-2/2003 dated 5th June, 2003, post completion of each development project shall be undertaken jointly by the planning officer in collaboration with concerned head of offices and a report submitted.

Chief Executive Officer District Education Authority Lodhran transferred funds of Rs 78.255 million to Building Department during 2018-19 for construction / repair of schools. A total 14 schemes costing Rs 78.255 million were completed up to June, 2019. The CEO DEA Lodhran did not conduct post completion evaluation of completed development schemes. No satisfactory completion certificate duly signed by officials of Building Department and Head of concerned schools were available on record / produced to Audit. Further, scrutiny of record revealed that several Headmasters of schools lodged complaint against poor quality of work done in their schools.

Audit is of the view that due to non-conducting of post completion evaluation of development schemes quality of work done could not be ensured.

Post completion evaluation of schemes were not conducted which resulted into violation of government rules.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends complete evaluation of all development schemes completed during 2018-19 besides fixing responsibility on the person(s) at fault.

[AIR Para No.07]

13.2.5.4.4 Irregular incurring of NSB Funds without pre-audit of claims– Rs 20.315 million

According to CGA Ordinance, 2001 no funds can be withdrawn from government treasury without pre-audit of claims. According to the Finance Bill, 2017 purchase should be made from registered firms in FBR so that the applicable taxes can be properly accounted for.

Dy. DEO (EE-M) Lodhran did not properly monitor expenditure of NSB funds of Rs 20.315 million during 2018-19. Audit scrutinized various

shortcomings of irregular withdrawal of funds and non-deposit of taxes by suppliers in Government treasury. Audit observed that funds of Rs 20.315 million were withdrawn from treasury without pre-audit of claims in violation of above rules.

Audit is of the view that due weak administration and close monitoring of schools, purchases were made from unregistered suppliers out of NSB funds.

Procurement from unregistered firms and withdrawal of funds without pre-audit of claims resulted in irregular expenditure of Rs 20.315 million.

The matter was reported to the Chief Executive Officer District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification besides fixing responsibility on person(s) at fault.

[AIR Para No.03]

13.2.5.4.5 Irregular expenditure due to approval of defective SMC Committee – Rs 6.427 million

According to letter No.SO(SNE)PMIU/2010 (P), dated 11.03.2013 of Punjab School Education Department, the school council earlier comprising a minimum of seven and maximum of fifteen members will be enhanced to minimum of 9 and maximum of 17 members with the addition in categories of parents members and general member. The total strength of the school council has to be in odd number. Further, according to Para no 3.1.2, school council shall be consisted on following categories members 1- parent members, 2-Teacher member, General member.3.1.3, parent members will more than 50% of the total members, there will be only one seat of teacher member and other seats will be for general category of members.4.3.1) ii, School councils members will examine

the school and will write their opinion, observation, recommendation on the form No.04.

Various school councils under the administrative control of Dy. DEO (EE-M) Kehroo Pacca, incurred an irregular expenditure of Rs 6.427 million on account of Purchases & services of different items during 2017-19 from NSB fund. Approval of expenditure was taken from the irrelevant committee which consists of irrelevant members. There was no 50% representation of Parents members. Number of members were not odd, No signature of AEO was available on the notification of SMC. There was no ID cards of the members were available in order to justify their signature. No procedure, voting Record, how the members were selected for the SMC committee was available. No representation of the DO was available on the selection of SMC committee. Unjustified and irregular expenditure of Rs 6.427 were made. **Annexure –D/LDN**

In the absence of irrelevant all the expenditure incurred were irregular and requires the regularization of the expenditure.

Audit is of the view that due to weak management purchases were made from irrelevant SMC committee.

Non compliance of Government instructions resulted into irregular and expensive expenditure.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of the amount be made besides fixing responsibility on Person(s) at fault under intimation to Audit.

[AIR Para No. 19]

13.2.5.4.6 Irregular expenditure from NSB funds without preparation of Annual Plan – Rs 6.427 million

According to serial No. 3.4 of NSB Guidelines issued by the Education Department Government of the Punjab, every school is required to prepare school based Action plan (SBAP) at the start of financial year.

Various school councils working under the administrative control of Dy. DEO (EE-M) Kehroorpacca incurred an expenditure of Rs 6.427 million on account of Non salary expenditure from NSB funds during 2017-19 without preparation of School Based Action Plan. No annual Development Plan of school showing the proposed work to be done along with estimated costs was prepared and got approved from AEO. No monitoring reports of members of School councils was prepared and produced to Audit. The bills were not signed the Co-chairman / Co signatory of School Council.
Annexure –E/LDN

Audit is of the view that due to weak management, expenditure was made without preparation of annual Audit Plan.

Non compliance of Government instructions resulted in irregular expenditure of Rs 6.427 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on person(s) at fault under intimation to Audit.

[AIR Para No. 16]

14. District Education Authority (DEA) Multan

Chapter 1

Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts of District Education Authority Multan on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	10,234.450	8,772.899	(1,461.551)	-14%
Non-salary	372.307	193.027	(179.280)	-48%
Development	470.017	191.227	(278.790)	-59%
Sub Total	11,076.774	9,157.153	(1,919.621)	-17%

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 191.227 million against an allocation of Rs 470.017 million for development schemes of construction of school buildings, dangerous classrooms, provision of missing facilities and provision of IT labs in high schools and an amount of Rs 278.790 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 1,919.621 million was lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statements (Certification Audit 2019-20)

The following issues surfaced during Certification Audit of District Education Authority Multan for the Audit Year 2019-20.

- Defective pre-audit and Payment of Steel in Absence of Steel Test Reports and Bar-binding Schedule – Rs 19.509 million
- Non-deduction of PST on services rendered - Rs 6.664 million
- Overpayment to contractor due to payment of excess rates – Rs 89,468

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department Punjab. However, these issues have been reported in the audit certificate as emphases of matter.

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Multan was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicator	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Quality indicators LND test results	65	LND	82	93.69	Achieved
Core Indicator	66	Students attendance (Kachi-12)	92	9344	Achieved
	67	Teacher Presence	90	96.55	Achieved

Indicator	Sr. No.	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
	68	Head Teacher Presence	90	95.56	Achieved
	69	Availability of boundary wall	98	100	Achieved
	70	Availability of drinking Water	95	99.52	Achieved
	71	Availability of Furniture	70	98.41	Achieved
	72	Classrooms observations	80	93.12	Achieved
Infrastructure Indicators	73	Safe Building	98	99.52	Achieved
	74	NSB Time Lines	90	71.93	Not Achieved
	75	NSB Utilization	90	85.36	Not Achieved
	76	Data Health	90	81.23	Not Achieved
	77	Sufficiency of Toilets	54	69.35	Achieved
Retention Indicators	78	Retention (Kachi-12)	97	99.21	Achieved
Monitoring and management Indicators	79	School Hygiene	80	90.46	Achieved
	80	Partial Facility	1	0.91	Achieved
Hot Line Complaints resolution Indicators	81	On Time resolution	90	100	Achieved

*Source: Data received from CEO (DEA) Multan

iii. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- Misappropriation / Fraud amounting to Rs 2.360 million was noticed in 02 cases.
- Record of expenditure amounting to Rs 144.030 million was not produced in 03 cases.

- Recoveries and overpayment amounting to Rs 29.031 million were pointed out in 33 cases.
- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 26.545 million was observed in 18 cases.
- Weak Internal Controls involving amount of Rs 633.321 million was noticed in 32 cases.
- Poor performance of the management having financial impact of Rs 1,791.140 million was found in 22 cases.

iv. Service Delivery Issues

From the Data analysis of DEA Multan following service delivery issues were observed:

- Funds releasing time line from CEO (DEA) was targeted 90% but achieved only 71.93%. Delay in release of funds to the end user caused major hindrance in achievement of targets.
- NSB Funds utilization was targeted 90% but achieved only 85.36%. Delay in utilization of funds caused major hindrance in achievement of targets.
- Under infrastructure indicator, data health was fixed 90% but achieved only 81.23%.

v. Expectation Analysis and Remedial Measures

District Education Authority:

CEO (DEA) did not achieve its overall targets regarding availability of boundary wall, furniture, NSB in timely releases, retention of students (K-12). The management failed in optimal utilization of NSB funds. Furthermore, targets pertaining to AEOs visits, Students Attendance & Retention (1-5), Dangerous

Building, etc. were not fixed. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and probity in use of development and non-development funds. Moreover, this can be checked by holding accountable those who are responsible for such irregularities at appropriate forums.
- Shortage of teaching staff at different levels should be overcome.
- Efforts should be made for expediting the realization of various Government receipts and overpayments.
- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

14.1.1 Audit Paras

14.1.1.1 Defective pre-audit and Payment of Steel in Absence of Steel Test Reports and Bar-binding Schedule – Rs 19.509 million

Risk Categorization: High

Criteria:

According to Rule 32 of the PLGO, 2001, read with Rule 2.10(a)(1) of the PFR Vol-I, same vigilance should be exercised in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of expenditure of his own money.

Facts:

District Accounts Officer Multan defectively pre-audit and paid an amount of Rs 19.509 million on account of use of fabrication of Miled Steel in construction of following buildings/works during 2018-19; the entire expenditure of steel was doubtful on the following grounds:

1. Bar-binding Schedule was not provided along with approved design of the buildings to audit.
2. In absence of bar-binding schedule and steel test reports the usage of steel in the work cannot be assessed by sub-engineer and similarly DAO cannot pre-audit the steel payment.
3. There is no any device / method to assess the actual weight of steel except it should be measured and tested in the research test laboratory.
4. Until and unless the weight in pounds per Rft was obtained from the test report nobody can assess the weight of steel.
5. Without observing criteria how sub-engineers assess the weight of the steel used and how the DAO pre-audited and made payment as well.

Necessary detail is as under:

(Amount in rupees)

Sr. No.	Document No.	Amount	WO No. & Date	Name of Scheme.	Name of Item	weight Paid	Rate	Amount
1	5100031021	1500000	1611 07.11.2017	Upgradation of GGES to High Level at 6-T Multan	Fabrication of Miled Steel	15527	10,768.90	1,672,087
2	5100087021	2537522	2381 12.01.18	Upgradation of GBES to High Level at Nandla Multan	Fabrication of Miled Steel	11487	10,768.90	1,237,024
3	5100125040	2671455	466 21.03.2017	Establishment of Government Girls High School in UC-127 Qasim Bela District Multan	Fabrication of Miled Steel	35596	10,188.71	3,626,773
4	5100055023	4827078	2525/CB 22.01.2018	Upgradation of High School Pir wala Basti Hamid Pura to higher secondary level boys district Multan	Fabrication of Miled Steel	27139	10,122.77	2,747,219

Sr. No.	Document No.	Amount	WO No. & Date	Name of Scheme.	Name of Item	weight Paid	Rate	Amount
5	5100083023	8722791	2150 20.12.17	Upgradation of GGHS 12/MR to GGHS 12/MR District Multan	Fabrication of Miled Steel	31003	10,052.77	3,116,660
6	5100123016	3802255	2710 16.02.18	Upgradation of GBHS matotly to HSS District Multan	Fabrication of Miled Steel	24247	9,991.35	2,422,603
7	5100057023	3238000	1935 30.11.17	Upgradation of Govt. Boys Elementary School Bosan Hitar to High Level Multan	Fabrication of Miled Steel	16199	10,768.90	1,744,454
8	5100057030	3126273	2028 09.12.17	Upgradation of GMPS Kot Imam Din Shah Moosa Shujabad	Fabrication of Miled Steel	7657	10,768.90	824,575
9	5100036018	2879118	2549 25.01.18	Upgradation of elementary School to High Level Basti Khokhran (Boys) District Multan	Fabrication of Miled Steel	19663	10,768.90	2,117,489
Total								19,508,883

Implications:

Audit is of the view that due to defective pre-audit DAO treated every steel rod of standard weight without considering test report.

Considering steel supplied at site as standard weight steel resulted in doubtful payment of steel and may cause loss to Government.

Recommendations:

Audit recommends regularization of the irregularity besides action under intimation to Audit.

Management Response:

Letter sent to Executive Engineer Building Division-II Multan vide No. DAO/MN/PR-I/HM-511 dated 02.10.2019 for compliance of Audit Observation. However, the note has been recorded against the security deducted from the bills of contractors, security claim will be clear after receipt of reply from XEN Building concern.

DAC Decision:

DAC directed the DAO to ensure compliance. Para kept pending till compliance.

14.1.1.2 Non-deduction of PST on services rendered - Rs 6.664 million

Risk Categorization: High

Criteria:

According to Rule 2.10(b) (5) of PFR Vol.1, “No amount can be withdrawn from the treasury unless it is required for immediate disbursement.

Facts:

District Accounts Officer Multan made payment amounting Rs 41.652 million during 2018-19 on accounts of object head A03919-Payments to others for services rendered. The funds were withdrawn for the payment of honorarium to teachers of evening shift of schools. Further, Provincial Sales Tax on Services amounting Rs 6.664 million was not deducted and paid to the concerned department.

(Amount in rupees)

C.center	C.center description	G/L Acc	G/L Acc Description	Document No	Document Date	Amount	PST not deducted
MC6031	DY.D.O ELEMENTARY FEMALE (CANTT/SADDAR)	A03919	Payments to Others for Service Rendered	1901208507	28.06.2019	11,274,359	1,803,897
MC6024	DY. DISTRICT OFFICER (M-EE) SHUJABAD	A03919	Payments to Others for Service Rendered	1901185040	28.06.2019	7,857,090	1,257,134
MC6022	DY.D.O ELEMENTARY MALE (CANTT/SADDAR) MN	A03919	Payments to Others for Service Rendered	1901208505	28.06.2019	7,497,701	1,199,632
MC6023	DY.D.O ELEMENTARY MALE (CITY) MULTAN	A03919	Payments to Others for Service Rendered	1901261016	28.06.2019	6,475,926	1,036,148
MC6033	DY. DISTRICT OFFICER (W-EE) SHUJABAD	A03919	Payments to Others for Service Rendered	1901261015	28.06.2019	4,641,924	742,708
MC6025	DY. DISTRICT OFFICER (M-EE) JALAL PUR	A03919	Payments to Others for Service Rendered	1901208506	28.06.2019	1,467,180	234,749
MC6032	DY.D.O ELEMENTARY FEMALE (CITY)	A03919	Payments to Others for Service	1901227555	28.06.2019	1,060,000	169,600

C.center	C.center description	G/L Acc	G/L Acc Description	Document No	Document Date	Amount	PST not deducted
	MULTAN		Rendered				
MC6034	DY. DISTRICT OFFICER (W-EE) JALAL PUR	A03919	Payments to Others for Service Rendered	1901185037	28.06.2019	1,019,627	163,140
MC6159	DEO (SECOND EDUN)MTN	A03919	Payments to Others for Service Rendered	1901227549	28.06.2019	358,400	57,344
Total						41,652,207	6,664,353

Implications:

Audit is of the view that due to weak internal controls, PST was not deducted.

Non-deduction of PST resulted in loss amounting Rs 6.664 million.

Recommendations:

Audit recommends proper justification and recovery of PST under intimation to Audit.

Management Response:

A letter sent to CEO (Education) Multan vide No. DAO/MN/PR-III/HM-1893 dated 04.10.2019 for provision of Original Challan of Rs. 6.664 Million for settlement of Audit Para.

DAC Decision:

Committee discussed the matter in detail. Committee directed the DAO to seek clarification from Finance Department. Para kept pending.

14.1.1.3 Overpayment to contractor due to payment of excess rates – Rs 89,468

Risk Categorization: High

Criteria:

According to Rule 2.33 of PFR Vol-I, every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Facts:

DAO Multan defectively pre-audited the claims for works and made overpayment of Rs due to payment of excess rates as compare to bid rates during 2018-19.

(Amount in rupees)

Sr. No.	Document No.	Amount	Name of Work	Name of Item	Rate to be Paid	Rate Paid	Excess Rate	Qty	Unit	Amount Recoverable
1	5100083023	8722791	Upgradation of GGHS 12/MR to GGHSS 12/MR District Multan	Pacca Brickwork c/s mortar in F&P	16,043.41	16,043.47	0.06	8,842.00	%Cft	5.31
2	5100083023	8722791	Upgradation of GGHS 12/MR to GGHSS 12/MR District Multan	Pacca Brickwork c/s mortar in First Floor 1:6	17,823.60	18,482.47	658.87	8,842.00	%Cft	58,257.29
3	5100083023	8722791	Upgradation of GGHS 12/MR to GGHSS 12/MR District Multan	Cement Plaster 3/4" thick up to 20' height (ratio 1:5)	2,131.09	2,207.59	76.50	3,844.00	%Sft	2,940.78
4	5100083023	8722791	Upgradation of GGHS 12/MR to GGHSS 12/MR District Multan	cement plaster 1/2" thick up to 20' height (ratio 1:5)	1,464.73	1,569.07	104.34	27,088.00	%Sft	28,264.43
	Total							48,616.00		89,467.80

Implications:

Due to defective pre-audit the excess payment of Rs 89,468 was made to contractor.

Overpayment made to contractor resulted in loss to Government of Rs 89,468.

Recommendations:

Audit recommends recovery of overpayment made to contractor besides action against responsible who made defective rate analysis of the item under intimation to audit.

Management Response:

Letter sent to Executive Engineer Building Division-II Multan vide No. DAO/MN/PR-I/HM-511 dated 02.10.2019 for compliance of Audit Observation. However, the note has been recorded against the security deducted from the bills of contractors, security claim will be clear after receipt of reply from XEN Building concern.

DAC Decision:

DAC directed the DAO to ensure compliance. Para kept pending till compliance.

Chapter 2

DEA Multan

14.2.1 Introduction

District Education Authority, Multan was established on 01.01.2017 under Punjab Local Government Act 2013. DEA Multan is “a body corporate having perpetual succession and common seal, with the power to acquire / hold property and enter into contract and may sue and be sued in its name”.

The functions of District Education Authority, Multan as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise the primary, elementary, secondary and higher secondary schools, adult literacy and non-formal basic education, special education institutions of the Government in the District;
- implement policies and directions of the Government including achievement of key performance indicators set by the Government for education;
- ensure free and compulsory education for children of the age from five to sixteen years as required under Article 25-A of the Constitution;
- ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education as may be prescribed;
- undertake students’ assessment and examinations, ranking of schools on terminal examination results and targets, promotion of co-curricular activities, sports, scouting, girl guide, red crescent, award of scholarships and conduct of science fairs in Government and private schools;
- approve the budget of the Authority and allocate funds to educational institutions;

- plan, execute and monitor all development schemes of educational institutions working under the Authority, provided that the Authority may outsource its development works to other agencies or school councils;
- constitute school management councils which may monitor academic activities;
- plan and finance maintenance of school, support enrolment and retention, arrange donation and finances, plan development and may perform any other role as may be prescribed; and
- perform any other function assigned by the Government, a Commission or a body established by law in the prescribed manner.

DEA Multan manages following educational facilities and institutes:

Description	No. of Education Institutes
Chief Executive Officer (Education)	1
District Education Officers (Secondary)	1
District Education Officers (EE-M)	1
District Education Officers (EE-W)	1
District Education Officers (Literacy)	1
District Education Officers (Special Education)	1
Deputy District Education Officers (EE-M)	4
Deputy District Education Officers (EE-W)	4
Higher Secondary Schools (Boys & Girls)	29
High Schools (Boys & Girls)	167
Special Education Schools / Centers	14
Elementary Schools	218
Primary Schools	880

*Source: Data received from CEO (DEA) Multan

The following table shows detail of total & audited formations of DEA Multan:

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2018-19 (Rs in million)	Revenue / Receipts audited FY 2018-19 (Rs in million)
1	Formations	228	05	677.045	4.169
2	Assignment Accounts (excluding	-	-	-	-

	FAP)				
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

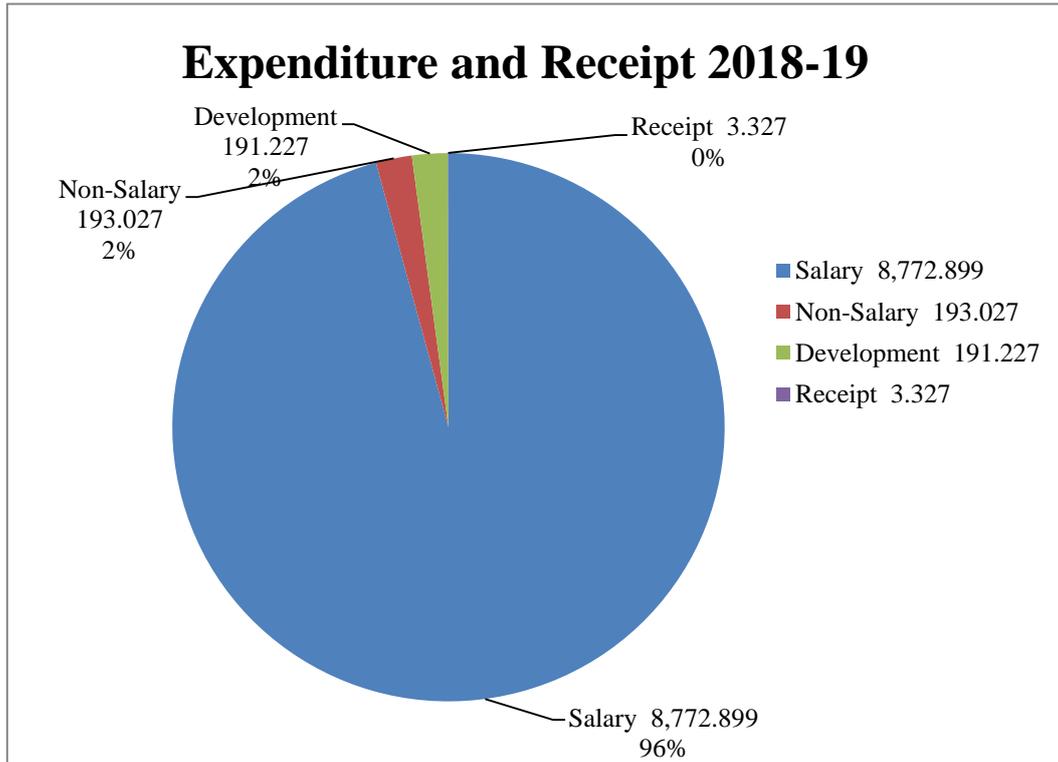
14.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in Million)

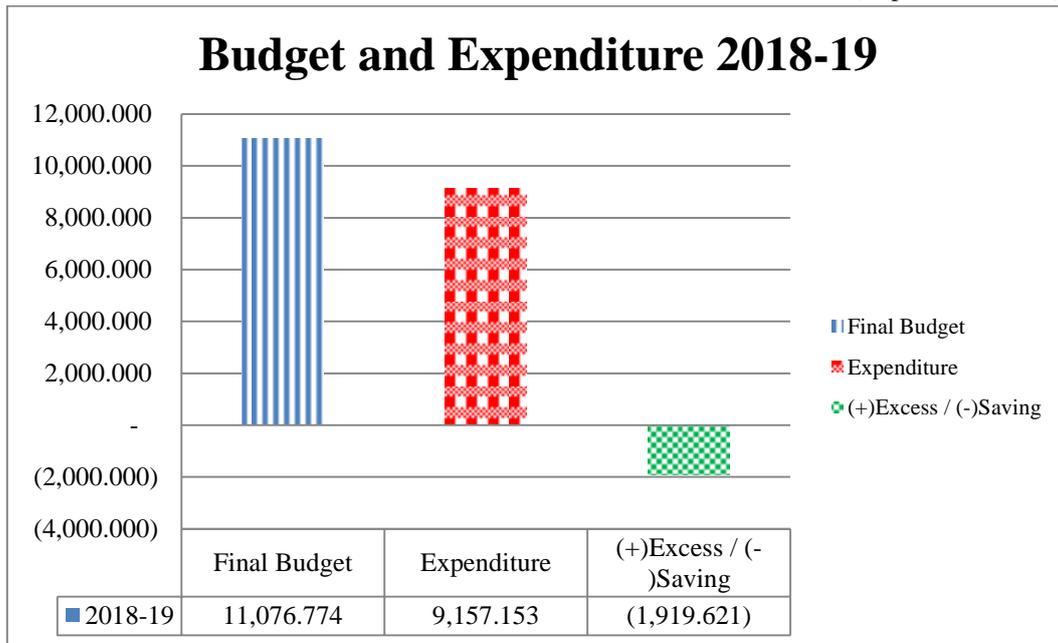
2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	10,234.450	8,772.899	(1,461.551)	-14%
Non-salary	372.307	193.027	(179.280)	-48%
Development	470.017	191.227	(278.790)	-59%
Sub Total	11,076.774	9,157.153	(1,919.621)	-17%
Receipts	4.753	3.327	(1.426)	-30%

(Rupees in Million)



As per the Appropriation Accounts for financial year 2018-19 of District Education Authority Multan, total original budget (Development and Non-Development) was Rs 10,210.047 million, supplementary grant was Rs 866.727 million and the final budget was Rs 11,076.774 million. Against the final budget, total expenditure of Rs 9,157.153 million was incurred by District Education Authority during financial year 2018-19. A saving of Rs 1,919.621 million came to the notice of Audit, which shows that the District Education Authority failed to provide services and infrastructure development. No plausible explanation was provided by the PAO and management of District Education Authority (**Annexure-B**).

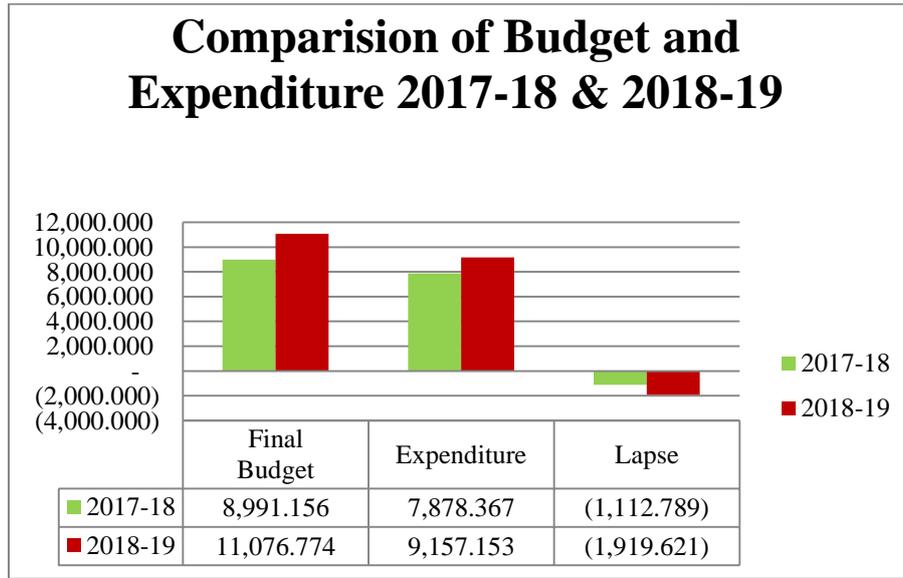
(Rupees in Million)



In Education Department savings of Rs 1,919.621 million (17% of allocation) occurred over estimating / releasing the budget against the vacant posts because no recruitment against these vacant posts was made during the financial year 2018-19. Further funds of School Management Council (SMC) were not utilized properly despite availability. The same resulted in depriving of the students / populace from necessary facilities, such as provision of furniture & fixture, laboratory equipment and civil work.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

(Rupees in Million)



There was 23 % and 16% increase in budget allocation and expenditure incurred respectively in financial year 2018-19 as compared to financial year 2017-18, while there was overall savings of Rs 1,919.621 million during 2018-19.

14.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 2245.210 million were raised as a result of this audit. This amount also includes recoverables of Rs 39.342 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs in million)
1	Non-production of record	144.433
2	Reported cases of fraud, embezzlement and misappropriation	1.955
3	Irregularities	0
A	HR / employees related irregularities	35.958
B	Procurement related irregularities	96.903
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	463.985
5	Others	1,501.976

14.2.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to the following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee.

Status of Previous Audit Reports

S. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2018-19	24	PAC meeting was not convened

14.2.5 AUDIT PARAS

14.2.5.1 Non Production of Record

14.2.5.1.1 Non production of record – Rs 144.433 million

According to Clause 14(1)(b) of the Auditor General’s (Functions, Powers and Terms & Conditions of Service) Ordinance, 2001, the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts. Further, according to Rule 5(2)(o) and (p) of the Punjab District Authorities (Budget) Rules, 2017, Head of Offices and institutions is responsible for ensuring that the auditors shall be afforded all reasonable facilities in the discharge of their functions and furnished with the fullest possible information. No such information or any books or other documents to which the Auditor General of Pakistan has a statutory right of access may be withheld.

Following DDOs of District Education Authority, Multan did not produce auditable record i.e. bills / invoices, vouchers, sanctions, bidding documents, TS Estimates, Measurement Books, agreement files, and payee acknowledgements etc. involving expenditure of Rs 144.433 million incurred during 2017-19. The detail is as under:

(Rupees in million)

Sr. No.	Name of Formation	Description	Amount
1	CEO DEA Multan	Vouched account of development expenditure including TS Estimates, measurement books, agreement files	141.793
2	Dy DEO (EE-W) Jalalpur Pirwala	Non-salary budget of schools under administrative control of Dy DEO (EE-W), Jalalpur Pirwala	0.402
3	Dy DEO (EE-W) Jalalpur Pirwala	Contingent expenditure and reconciled expenditure statements	0.267

Sr. No.	Name of Formation	Description	Amount
4	Dy DEO (EE-M) Jalalpur Pirwala	Vouched account of Inspection Allowance Rs1.971 million	1.971
Total			144.433

Audit is of the view that due to weak management the record was not produced.

Non production of record created doubts about the legitimacy of expenditure incurred and resulted in an attempt to cause hindrance in the auditorial functions of the Auditor General of Pakistan.

The matter was reported to the PAO and DDOs concerned in August and September, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends production of record besides fixing responsibility on the person(s) at fault for non- production of record.

[AIR Para No. 05, 09, 23 and 07]

14.2.5.2 Fraud and Misappropriations

14.2.5.2.1 Misappropriation of NSB- Rs 1.955 million

According to rule 2.33 of PFR Vol-I, every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by the Government through fraud or negligence on his part.

Head Teachers of following schools working under administrative control of Deputy District Officer (EE-M) Sadar, Multan misappropriated NSB funds Rs 1.955 million. The said teachers drew funds without purchase or execution of work. No record was maintained. The inquiry was conducted and embezzlement was proved. The department did not lodge an FIR against accused. The details are given below:

(Rupees in million)

Sr. No.	Name of school	Name of teachers	Date of Inquiry	Penalty imposed	Amount
1	GES Mahni Wala	Ahmed Hassan SST	14.10.17	Compulsory retirement	0.880
2	GPS Hamidpur Murakha	Syed Qutrat Ullah	21.05.19	Personal hearing on 27.07.19 but the accused did not appear	0.412
3	GPS Jalalshah	Muhammad Akram	17.05.18	Compulsory retirement	0.662
Total					1.955

Audit is of the view that funds were misappropriated due to poor internal and financial controls.

Misappropriation of funds resulted in loss to the Government amounting to Rs 1.955 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends lodging of FIR against the responsible(s) besides recovery of Rs 1.955 million, under intimation to Audit.

[AIR Para No. 09]

14.2.5.3 Irregularities

14.2.5.3.1 Irregular expenditure due to non-compliance of PPRA's Rules – Rs 28.204 million

According to Rules 9 and 12(1) of the Punjab Procurement Rules 2014, procuring agency shall announce proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned and annual requirements thus determined would be advertised in advance on the PPRA's website. Procurement opportunities over Rs 100,000 and up to Rs 2,000,000 shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time.

Following DDOs incurred an expenditure of Rs 28.204 million on purchase of furniture and fixture, computer equipment, stationery and different store items. Annual requirement of procurement opportunities was neither determined nor planned procurements were advertised on PPRA's website to achieve benefits of competitive bidding. Moreover, the indents were split-up to avoid fair tendering process. The details are as under:

(Rupees in million)

Sr. No.	Name of Formation	Description	Amount
1	CEO DEA Multan	Splitting was mad to avoid the tendering process	1.782
2	Dy DEO EE-M Sadar Multan	Splitting was mad to avoid the tendering process	1.543
3	Dy DEO (EE-W) Jalalpur Pirwala	Expenditure was incurred without competition and maintenance of consumption record	14.315
4	Dy DEO (EE-W) Jalalpur Pirwala	Splitting was mad to avoid the tendering process	6.029
5	Dy DEO (EE-W) Shujabad	Material was purchase by violating PPRA Rules	0.3
6	Dy DEO (EE-W) Shujabad	Furniture and fixture was purchased in violation of the PPRA Rules	0.119
7	Dy DEO (EE-M) Jalalpur Pirwala	Splitting was mad to avoid the tendering process	4.116
Total			28.204

Audit is of the view that due to financial indiscipline purchases were made without observing PPRA rules.

Non-observance of PPRA rules resulted in irregular expenditure amounting Rs 28.204 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends holding of inquiry and fixing responsibility on the person(s) at fault besides regularization of expenditure from the competent authority.

[AIR Para No. 12, 19, 17, 20, 13, 17 & 6]

14.2.5.3.2 Irregular expenditure beyond the competence of School Councils- Rs 25.109 million

According to School Council Policy 2007 as amended 2003 in its edition of 2017 vide clause 4.9 stipulates mode of incurring of financials that school council funds will be utilized on prescribed purposes and during a financial year a school council can incur up to the maximum of four hundred thousand rupees; the approval of the same has been granted vide FD letter No. IT(FD)3-13/2002 dated 07.01.2004 and dated 29.01.2005. Moreover, according to Govt. of Punjab Education Department (School Wing) letter No. SO (SNE)PMU/2010 (P) dated 11.3.2013, the School Council shall be authorized to spend up to a maximum of four (04) lacs in one financial year i.e. July to June as per Notification number IT (FD)3-13/2002 dated 7.01.2004 and 29.1.2005 issued by Punjab Finance Department.

School Councils of primary / elementary schools working under the administrative control of following Deputy District Education Officers incurred expenditure of Rs 25.109 million during 2017-19. Contrary to the above provision, expenditure was incurred without observing the maximum ceiling / prescribed limit of Rs 400,000 for each school which resulted in incurrence of

excess expenditure amounting Rs 25.109 million beyond the permissible limit. The detail is as under:

(Rupees in million)

Sr. No.	Name of Formation	Amount
1	Dy DEO EE-M Sadar Multan	8.725
2	Dy DEO (EE-W) Jalalpur Pirwala	1.374
3	Dy DEO (EE-W) Shujabad	7.695
4	Dy DEO (EE-M) Jalalpur Pirwala	7.315
Total		25.109

Audit is of the view that due to weak financial controls and poor monitoring mechanism, expenditure was incurred beyond the competence of School Councils.

Incurrence of expenditure beyond the competence / prescribed limit resulted in irregular expenditure amounting to Rs 25.109 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of expenditure from the Competent Authority.

[AIR Para No. 12, 19, 02 & 03]

14.2.5.3.3 Unjustified difference between bank statement and cash book– Rs 20.643 million

According to Rule 2.2 of PFR Vol-I, a simple cash book in PFR form-I should be kept in every office receiving or disbursing money on behalf of the Government regular or frequently for recording all transaction of money received by the Government servant in their official capacity, and their subsequent remittance to the treasury. All cash transaction should be entered in the cash book as soon as they occur and attested in token of check. A certificate to this effect be recorded in the cash book. At the end of each month the head of office should

personally verify the cash balance and record below the closing entries in the cash book. A certificate to that effect over his dated signature be recorded to specify both in words and figure the actual cash balance.

Following DDOs of District Education Authority did not reconcile the difference between bank balance and Cash Book amounting to Rs 20.643 million. As per bank accounts of the said offices an amount of Rs 25.623 million was lying with the bank as closing balance, whereas the cash book showed a balance of Rs 4.980 million. The detail is as under:

(Rupees in million)

Sr. No.	Name of Formation	Description	Cash balance as per bank statement	Cash balance as per cashbook	Difference
1	Dy. DEO (EE-W) Shujabad	Difference between Bank Statement and Cash Book	16.156	0	16.156
2	Dy. DEO (EE-M) Jalalpur Pirwala	Difference between Bank Statement and Cash Book	9.467	4.980	4.487
Total			25.623	4.980	20.643

Audit is of the view that due to weak financial controls, balance as per bank statement and cash book was not reconciled.

Unjustified difference between cash balance of bank statement and cash book amounting Rs 20.643 million resulted in violation of the Governments rules.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends reconciliation of the existent difference between cash balance as per bank statement and cash book besides fixing of responsibility.

[AIR Para No. 01 & 05]

14.2.5.3.4 Illegal retention of the Government money- Rs 9.630 million

According to Rule 2.10(b)(5) of PFR Vol.1, “No amount can be withdrawn from the treasury unless it is required for immediate disbursement.

Following DDOs of DEA, Multan drew Rs 9.630 million out of the object head A03919- “Payments to Others for Services Rendered” during the financial year 2018-19. The entire withdrawn amounts were lying undistributed in the bank accounts of the DDOs. Moreover, Provincial Sales Tax amounting Rs 1.551 million was not deducted at source from the bills by the District Accounts Office and expenditures of Rs 4.642 million were paid out of pension account. **Annexure –C/MLN.**

(Rupees in million)

Sr. No.	Name of Formation	Amount of PST not deducted at source	Amount
1	Dy DEO (EE-W) Shujabad	0.743	4.642
2	Dy DEO (EE-M) Jalalpur Pirwala	0.798	4.988
Total		1.541	9.630

Audit is of the view that due to weak internal control, amount drawn was illegally retained and not disbursed to the concerned and payments were illegally booked to Pension instead to the Account-V.

Non-distribution of amount resulted in irregular drawl of Rs 9.630 million and non-deduction of PST on services rendered resulted in loss to the Government amounting Rs 1.541 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing responsibly on the person(s) at fault under intimation to Audit.

[AIR Para No. 08 and 04]

14.2.5.3.5 Unauthorized payment of pay and allowances – Rs 8.774 million

According to Rule 2.31(a) of the Punjab Financial Rules, Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, fraud and misappropriation. Further, according to Government of the Punjab, Finance Department letter No.FD.SR.-II /9-214/2013 dated 02.04.2014, Personal Allowance will be discontinued upon fresh appointment, promotion, retirement and posting to another cadre post.

DDOs of District Education Authority, Multan allowed employees under their administrative control to draw excess / unauthorized pay and allowances amounting to Rs 8.774 million due to wrong fixation of pay and allowances at excessive rates and unauthorized payment of pay and allowances beyond entitlement. **Annexure –D/MLN**

Audit is of the view that due to weak financial controls and poor financial management, excess / unauthorized pay and allowances were paid to employees.

Excess / unauthorized payment of pay and allowances resulted in overpayment of Rs 8.774 million to the employees concerned.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs 8.774 million from the concerned at the earliest.

[AIR Para No. 13, 16, 02, 03, 04, 05, 08, 01, 04, 11, 15, 16, 21, 13, 20, 06 & 12]

14.2.5.3.6 Undue payment of Social Security Benefits – Rs 8.479 million

According to Para No. 1 of letter dated 1st March-2013 of the Government of The Punjab Service & General Administration Department

(Regulations Wing) , The Chief Minister, Punjab, in exercise of the powers conferred upon him by Rule 23 of the Punjab Civil Servants (Appointment and conditions of service) Rules, 1974 is please to order appointment of employees in BS-1 to 15, recruited on contract basis against the post presently held by them in various government departments of the Punjab on regular basis. According to Para No. 05, the salary component of such employees shall be in accordance with the pay scales plus the usual allowances prescribed for the posts against which they are being appointed. They will , however not be entitled to the payment of 30% social security benefit in Lieu of Pension or any other pay package being drawn by them.

Following DDs of DEA, Multan did not recover excess payment on account of 30% social security benefit of Rs 8.479 million from the teachers whose services were regularized during 2018-19. The detail is given below:

(Rupees in million)

Sr. No.	Name of Formation	Subject	Amount
1	Dy. DEO EE-M Sadar Multan	Payment of Social Security Benefits after regularization	3.774
2	Dy. DEO (EE-W) Jalalpur Pirwala	Payment of Social Security Benefits after regularization	2.091
3	Dy. DEO (EE-W) Shujabad	Payment of Social Security Benefits after regularization	2.614
Total			8.479

Audit is of the view that due to weak internal controls, SSB was paid to the employees after regularization of services.

Undue payment of SSB resulted in loss to the Government amounting Rs 8.479 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends recovery of SSB amounting Rs 8.479 million from the concerned besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 07, 11, 04]

14.2.5.3.7 Unauthorized payment of conveyance allowance— Rs 8.412 million

According to Rule 1.15 of the Punjab travelling allowance rules 1976 and the Government of the Punjab Education Department (School Wing) letter No. So (S-III) 1-2-16/2007 dated 24.09.2007, conveyance / mobility allowance is not admissible during the period of leave of any kind or vacations. Further, according to letter No. FD-PC.38-8/77 dated 05.07.1977, issued by the Finance Department, Government of the Punjab, no conveyance allowance is admissible to government servants having residences within premises of the office or availing facility of official vehicle.

Following two DDOs working District Education Authority, Multan made inadmissible payment of conveyance allowance during vacation and leave period amounting to Rs 8.412 million. The detail is as under:

(Rupees in million)

Sr. No.	Name of Formation	Description	Amount
1	Dy DEO EE-M Sadar Multan	Inadmissible conveyance allowance was withdrawal during vacations	3.458
2	Dy DEO EE-M Sadar Multan	Conveyance allowance was withdrawn during leave and penalties imposed by the competent authorities were not recovered	0.615
3	Dy DEO (EE-W) Jalalpur Pirwala	Payment of conveyance allowance during leaves	0.387
4	Dy DEO (EE-W) Jalalpur Pirwala	Payment of conveyance allowance during winter vacations	0.559
5	Dy DEO (EE-W) Shujabad		1.399
6	Dy DEO (EE-W) Shujabad	Conveyance allowance was withdrawn during leave	0.629
7	Dy DEO (EE-M) Jalalpur Pirwala	Payment of conveyance allowance during winter vacations	0.774

Sr. No.	Name of Formation	Description	Amount
8	Dy DEO (EE-M) Jalalpur Pirwala		0.556
9	Dy DEO (EE-M) Jalalpur Pirwala	Payment of conveyance allowance during leaves	0.035
	Total		8.412

Audit is of the view that due to weak administrative controls, inadmissible conveyance allowance was paid.

Payment of inadmissible conveyance allowance resulted in loss of Rs 8.412 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 8.412 million besides fixing responsibility on the person(s) at fault.

[AIR Para No. 01, 06, 07, 08, 06, 10, 09, 11 & 21]

14.2.5.3.8 Irregular withdrawal of honorarium for teachers - Rs 6.008 million

According to agreement executed between teachers and Deputy District Education Officer, no payment of any kind of leave is allowed during evening shift classes. Furthermore, according to the Government of the Punjab Schools Education Department Notification No.SO (DEA) 1-16/2017 Dated May 16, 2017, the teaching and non-teaching staff hired for up-graded portion of the school shall be paid honorarium from Non Salary Budget. Number of posts for up-graded schools (Single Section) may be allocated as per following criteria:

Level of Schools	Head Teachers	Servants	Teacher	At least enrolment in Evening Class
Elementary	01	02	04	100
High	01	02	04	80

Following DDOs of District Education Authority drew funds amounting Rs 6.008 million during 2018-19 on account of honorarium to the teachers of evening shift of classes. Scrutiny of record revealed that the as per government instructions at least enrolment at elementary level school in evening class must be 100 and for High it must be 80. Government also restricted the numbers of teachers as per number of students but teachers were hired in violation of the above criteria and even five (05) teachers were hired for only five students for one elementary class of GPS Umar Pur. Excess total months were calculated to draw the excess amount whereas as per agreement no payment was to be made to the evening shift teachers against all kinds of leave. Furthermore, excess calculation of average students were made erroneously in all cases and maximum students in any month was taken as the average students instead of calculating the average students during the whole period. In this way excess payment of Rs 1.703 million was drawn from the government treasury. Further average students and number of teachers hired for the excess number of students is on higher side for which separate calculations need to be made and excess drawn amount be needs to be recovered and deposited into the Government treasury. The detail is as under:

(Rupees in million)

Sr. No.	Name of Formation	Description	Amount drawn	Excess Payment
1	Dy DEO (EE-W) Jalalpur Pirwala	Irregular payment of honorarium was made in violation of the criteria prescribed by the Government and excess funds were drawn for evening shift classes	1.02	0.2
2	Dy DEO (EE-M) Jalalpur Pirwala	Irregular payment of honorarium was made in violation of the criteria prescribed by the Government and excess funds were drawn for evening shift classes	4.988	1.503
Total			6.008	1.703

Audit is of the view that due to weak internal controls, irregular payment of honorarium was made to teachers of evening shift and excess funds were withdrawn by showing excess months and students.

Non-observing of the Government instructions resulted in irregular payment of honorarium to teachers of evening shift amounting Rs 6.008 million and excess withdrawal of funds amounting Rs 1.703 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization and recovery / deposit of actual excess drawn amount to the Government treasury besides fixing of the responsibility under intimation to Audit.

[AIR Para No. 12 & 01]

14.2.5.3.9 Purchase from black listed firm- Rs 4.827 million

According to Rule 21 (1) of the Punjab Procurement Rules 2014, a procuring agency may, for a specified period, debar a bidder or contractor from participating in any public procurement process of the procuring agency, if the bidder or contractor has: (a) acted in a manner detrimental to the public interest or good practices; (b) consistently failed to perform his obligation under the contract; (c) not performed the contract up to the mark; or (d) indulged in any corrupt practice. Further, according to FBR active tax payer list Al-hadi enterprise is declared black listed due to non-submission of tax returns. Furthermore, according to Rule 2.10(a)(1) of the PFR Vol-I, same vigilance should be exercised in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of expenditure of his own money.

Head Teachers of 27 schools working under the administrative control of following DDOs purchased different material items from the black listed firm Al-Hadi Traders valuing Rs 4.827 million and paid the tax amount of Rs 604,075 to the said suppliers who was declared black listed by the Federal Board of Revenue.

Annexure –E/MLN

(Rupees in million)

Sr. No.	Name of Formation	Description	Amount
1	Dy DEO (EE-W) Jalalpur Pirwala	Procurement was made by 03 schools from blacklisted firms	0.413
2	Dy DEO (EE-W) Shujabad	Procurement was made by 24 schools from blacklisted firms	4.414
Total			4.827

Audit is of the view that due to weaknesses in the internal controls and lack of proper supervision of NSB funds, purchases were made from the black listed firm.

Purchase from black listed firm is illegal and might have resulted in misappropriation of taxes paid to such firm.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure amounting Rs 4.827 million besides fixing of responsibility against person(s) at fault under intimation to Audit.

[AIR Para No. 21 & 03]

14.2.5.3.10 Irregular procurement of android tablets - Rs 3.445 million

According to Government of the Punjab, Punjab Information Technology Board, Lahore letter No. PITB/Admin/1248 dated 28th February, 2017, that specification (minimum requirement) for tablet and data Sim are stated overleaf based on market survey are available on following rates.

S. No.	Brand Name	Market Price
1	Q- Mobile	Rs8000 to Rs10,000
2	Alcater	Rs8000 to Rs10,000
3	Huawei	Rs12,000 to Rs14,000
4	Lenovo	Rs12,000 to Rs14,000
5	Samsung	Rs18,000 to Rs20,000

Following DDOs of District Education Authority, Multan purchased android tablets costing Rs 3.445 million through head teachers of number of middle / primary schools. Scrutiny of the record revealed that neither specifications were mentioned on bills nor entered in stock register. Furthermore, rates were not obtained from local market and prima facie excess rates were paid to the suppliers which resulted in overpayment of Rs 0.863 million. The detail is given as under:

(Rupees in million)

Sr. No.	Name of Formation	Details	Amount
1	Dy DEO EE-M Sadar Multan	Android tablet were purchased without mentioning specifications of the quotations and bills. Higher rates resulted in overpayment of Rs 0.863 million.	3.201
2	Dy DEO (EE-M) Jalalpur Pirwala	Android tablet were purchased without mentioning specifications of the quotations and bills	0.244
Total			3.445

Audit is a view that due to weak financial controls, android tablets were purchased without mentioning specifications and on rates in excess of the Government rates.

Purchase of tablets without mentioning specifications and on higher rates resulted in irregular procurement of tablets amounting Rs 3.445 million and loss to the Government amounting Rs 0.863.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization besides recovery of actual overpaid amount, under intimation to audit.

[AIR Para No. 15 & 14]

14.2.5.3.11 Irregular purchase of uniform from NSB funds without approval - Rs 2.711million

According to NSB Manual amended 2017, Para No.4.8.1 school council can incurred expenditure for purchase/ repair of furniture, sports material, educational material, repair of building, temporary teachers and utilities. Further according to Para No. 4.8.3. if school council wants to incur expenditure any other items which is not mentioned in above Para, the approval of CEO Education must be obtained and decision of CEO Education will be final.

Head Teachers of various schools working under the administrative control of following Deputy District Education Officers of District Education Authority, Multan incurred an expenditure amounting Rs 2.711 million from NSB on account of uniform during 2017-2019. The purchase of uniform was not allowed from NSB funds without prior approval of the CEO DEA. The purchase of uniform without approval of CEO Education resulted in irregular purchase. The detail is as under:

(Rupees in million)

Sr. No.	Name of Formation	Subject	Amount
1	Dy DEO EE-M Sadar Multan	Uniforms were purchased by the schools irregularly from NSB funds without approval CEO DEA	1.089
2	Dy DEO (EE-W) Shujabad	Uniforms were purchased by the schools irregularly from NSB funds without approval CEO DEA	1.379
3	Dy DEO (EE-M) Jalalpur Pirwala	Uniforms were purchased by the schools irregularly from NSB funds without approval CEO DEA	0.243
Total			2.711

Audit is of the view that due weaknesses in the internal financial controls irregular expenditure was incurred on purchase of uniform without seeking approval of the competent authority.

Irregular expenditure on purchase of uniform without seeking approval of the competent authority resulted in violation of the Government rules.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure besides fixing of responsibilities against the person(s) at fault under intimation to audit.

[AIR Para No. 11, 07, and 15]

14.2.5.3.12 Irregular withdrawal of Inspection Allowance -Rs 2.598 million

According to Sr. No. 2(iii) of Accountant General Punjab's letter dated 05.10.2018, the payment of Inspection allowance is subject to verification of the Key Performance Indicators (KPIs) by the respective CEO/DEO in the following month.

Assistant Education Officers, working under the administrative control of Dy. DEO (W-EE) Jalal Pur Pirwala withdrew Inspection Allowance amounting Rs 2.598 million during 2017-19. Reports regarding fulfilment of Key Performance Indicators (KPIs) verified by any CEO/DEO was neither available on record nor provided despite repeated requests in violation of the above instructions of the Government. All the payments were made through change form but no record was provided. **Annexure –F/MLN**

Audit is of the view that due to weak internal controls payment of Inspection Allowance was made without verification of KPIs from CEO / DEO concerned.

Payment of Inspection Allowance without verification of KPIs from CEO/DEO resulted in violation of instructions.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends production performance report of AEOs in terms of KPIs or recovery from concerned, under intimation to Audit.

[AIR Para No. 22]

14.2.5.3.13 Unauthorized payment in cash instead of crossed cheque- Rs 1.687 million

According to Rule 4 (b) of Punjab District Authorities (Accounts) Rules, 2017 the District Authority shall make payment through crossed non-negotiable cheque exceeding rupees one thousand.

Deputy District Officer (EE-W), Shujabad made payment of Rs 1.687 million in cash during 2017-18 instead of making it through crossed cheque in violation of above mentioned rule. No acquaintance roll was prepared to disburse cash.

Annexure –G/MLN

(Rupees in million)

Sr. No.	Name of Formation	Subject	Amount
1	Dy DEO (EE-W) Shujabad	Payment was made in cash in an unauthorized manner	1.687
Total			1.687

Audit is view that due to weaknesses in the internal controls, payment was made in cash instead of through crossed cheques.

Payment in cash resulted in violation of the Government rules.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization besides fixing of responsibility against the person(s) at fault.

[AIR Para No. 05]

14.2.5.3.14 Unauthorized expenditure without stock entry - Rs 1.324 million

As per rule 15.4(a) and 15.5 of the PFR, Vol-I, all materials received should be examined, counted, measured and weighed, as a case may be, when delivery is taken and they should be kept in charge of a responsible Government servant. The receiving Government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers. When materials are issued a written acknowledgement should be obtained from the person to whom they are ordered to be delivered or dispatched and when materials are issued from stock for departmental use, manufacture or sale, etc., the Government servant in charge of the stores should see that an indent in PFR Form 26 has been made by a properly authorized person.

Various schools under the administrative control of following DDOs of District Education Authority, Multan withdrew funds amounting to Rs 1.324 million during 2018-19 out of NSB / SMC funds for purchase of furniture, stationery, water coolers, printers, computers, uniform cloth for students, cleaning material for washrooms etc. Scrutiny of relevant record revealed that expenditure was incurred without stock entry and maintaining consumption record of stores. The details are given below:

(Rupees in million)

Sr. No.	Name of Formation	Subject	Amount
1	Dy DEO EE-M Sadar Multan	Doubtful purchase of consumable items without stock entries	0.514
2	Dy DEO EE-M Sadar Multan	Purchase of storable items without stock entry	0.132
3	Dy DEO (EE-M) Jalalpur Pirwala	Doubtful purchase of consumable items without stock entries	0.678
Total			1.324

Audit is of the view that due to noncompliance of rules, expenditure was incurred without observing prescribed criteria as notified by Government.

Non observance of the Government criteria resulted in unauthentic expenditure of Rs 1.324 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of the expenditure.

[AIR Para No. 18, 24 & 10]

14.2.5.3.15 Unauthorized withdrawal of funds without approval of school council committee Rs 1.010 million

According to NSB Manual amended 2017, Para No.4.2 no held shall be held if 2/3 quorum of meeting are not present, the meeting shall be postpone and new date of meeting shall be conveyed to all members. The Head Teacher should record the minutes and obtained signature of all committee members. Further, according to the Government of Punjab, PESRP School Council Policy 2007 amended in 2013, Annex-A issued vide letter No.SO(S-III)2-12/2006 dated 06.08.2007, all expenditure shall be incurred with prior approval of the school council and all purchases / execution of work shall be carried out in a transparent and economical manner. Furthermore, according to Rule 2.31 of PFR Vol-I, a drawer of bill for pay, allowance, contingent & other expenses will be held responsible for any over charges, frauds and misappropriations.

Head Teacher of GES Sadiqabad Mills working under administrative control of Dy DEO EE-M Saddar Multan drew funds amounting Rs 1.010 million from NSB account during 2017-19 without the approval of School Management Council.

Audit is of the view that due to due poor internal and financial controls; expenditure was incurred without approval of SMC.

Withdrawal of funds without approval of SMC resulted in unauthorized expenditure amounting Rs 1.01 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides regularization of expenditure from the competent authority.

[AIR Para No. 10]

14.2.5.4 Value for money and Service Delivery Issues

14.2.5.4.1 Non utilization of development funds- Rs 278.791 million

According to Rule 28(1)(2) a,b,c,d,e,f,g the development projects shall be undertaken through development budget and shall be prepared on form BDD-4. The new development project shall be processed in the following manner, identification of development project, project out lines, feasibility report on the basis of detailed development project proposal, technical sanction of detailed estimates, approval by the district authority with reference to budget allocation, concurrence of the district authority to undertake the development scheme. Further, according to Rule 5(e) of Budget Rules of District Authorities 2017, responsibility of the heads of offices and institution is to prepare Annual Development Plan, identifying sector goal, outcomes, outputs, Key Performance Indicators (KPIs) and performance targets consistent with the national provincial and authority level sectoral policies and strategies. Furthermore, according to Rule 23(2) the CEO shall develop an annual action plan according to the priorities laid out in the budget call letter in order to realize the targets set out in the Annual Development Program for the respective officers and institutions under the authority.

Chief Executive Officer (District Education Authority) Multan did not monitor the development expenditures which resulted in non-completion of development schemes in time and delay in delivery of services to the masses. Out of total development budget of Rs 470.017 million, expenditure of Rs 191.226 million was incurred during 2018-19. The detail is as under:

(Rupees in million)

Particular	Budget	Expenditure	Balance
Cast Center.MC-8996 CEO Education	220.017	141.792	78.225
Cast Center MC-8998 DEO Special Education)	250	9.200	200.566
Cast Center MC-8997 DEO Literacy		40.234	
Grand Total	470.017	191.226	278.791

Audit is of the view that due to weak financial management, development budget was not fully utilized.

Non-utilization of development budget amounting Rs 278.791 million resulted in non-delivery of essential health services to the masses.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends fixing of the responsibility against the person(s) at fault under intimation to Audit.

[AIR Para No. 02]

14.2.5.4.2 Excess utilization of development budget- Rs 115. 326 million and difference in closing balance of Account-V - Rs. 21.242 million

According to Government of the Punjab Finance Department letter No. SO(TT)3-1/98 19th November 2001 reconciliation of receipt and expenditure is to be done promptly as prescribed under the rules’.

Chief Executive Officer (District Education Authority) Multan and Deputy Director Budget and Accounts Multan did not monitor the budget and expenditure for the F.Y 2018-2019, which resulted in difference in closing balance of Account-V amounting Rs 21.242 million. The details are as under:

(Rupees in million)

Particular	Balance as per Expenditures statements	Actual Balance as per State Bank statement	Difference
Closing balance of Account- V	24.806	3.564	21.242

Furthermore, it was noted that the Accounts Office incurred non-development expenditure out of allocation for development expenditure which is evident from the fact that the total un-spent development amount is Rs 118.890 million whereas the closing balance as per State Bank for 2018-19 is only Rs 3.564 million. This resulted in excess non-development expenditure out of development budget is amounting Rs 115.326 million as detailed below:

(Rupees in million)

Year	Development budget released	Development Expenditures	Balance of Development Fund	Closing balance of Account-V	Excess utilization out of development Grant
2018-2019	310.116	191.227	118.890	3.564	115.326

Audit is of the view that due to weak financial management, non-development expenditure were incurred out of development budget and financial statements did not reflect true picture of the accounts.

Difference in closing balance of Account-V and expenditure statement amounting Rs 21.242 million and excess utilization of development grant amounting Rs 115.326 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization besides fixation of responsibility against person(s) at fault under intimation to Audit.

[AIR Para No. 08]

14.2.5.4.3 Non-imposition of fine due to late registration of schools - Rs. 32.850 million

According to Section 11 of Punjab Private Educational Institution (Promotion and Regulation) Ordinance 1984, whoever continues to run an institution without registration or after refusal or cancellation of registration shall be punished with fine which may extend to one hundred rupees for each day during which the contravention continue. Further, according to the Secretary Education, Government of the Punjab Notification No.SO(A-I)7-21/81 dated 24th August 1998 the rate of registration fee for private managed institutions and annual inspection fee will be as under: -

Sr. No	Particular	Registration Fee (On registration)	Annual Inspection Fee
01	College / Polytechnic	Rs. 10000	Rs.1000
02	High School / Higher Secondary School	Rs. 7000	Rs.1000
03	Elementary School	Rs. 5000	Rs. 500

According to Rule 3 of Punjab Private Educational Institutions ordinance 1984, the registration authority shall, with in sixty days from the date of filling of an application for registration, decide the application.

Chief Executive Officer (District Education Authority) Multan, registered 344 number of private schools without collection of fine despite the fact that the schools were running since long without registration. Non imposition of fine resulted in loss to the government amounting to Rs 32.85 million as detailed below:-

(Rupees in million)

No. of Schools Registered	Fine due owing to delay in Registration	Average delay in registration of schools	Amount of fine to be imposed	Fine Imposed	Loss to the Government in millions
344	Rs. 100 per day	1095 (Three years)	32.850	0	32.850

Audit is of the view that the due to weak internal controls, schools were registered without imposition of fine.

Non imposition of fine resulted in an approximate loss of Rs 32.850 million to the Government.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends inquiry into the matter besides fixation of responsibility and recovery of fine amount under intimation to Audit.

[AIR Para No. 10]

14.2.5.4.4 Blockage of the Government funds – Rs 21.676 million

According to Rule 27 (2) (b) of Punjab District Authorities (Accounts), 2017, no amount is withdrawn except for immediate disbursement.

Government of Punjab Education Department allocated Rs 21.676 million to 23 No. of schools working under administrative control of Deputy District Education Officer (Elementary Education – Male), Sadar Multan for construction of improvised classrooms during 2016-17. Construction work was stopped by PMIU on 02.06.2017 and could not be resumed till the dates of Audit. Non utilization of funds resulted in blockage of the Government funds. Furthermore, the project underwent a huge cost over-run due to the delay already caused and is expected to further escalate with passage of time. **Annexure –H/MLN**

(Rupees in million)

Sr. No.	Name of Formation	Subject	Amount
1	Dy DEO EE-M Sadar Multan	Blockage of government funds due to stoppage of development work of construction of improvised classrooms since 02.06.2017.	21.676
Total			21.676

Audit is of the view that due to weaknesses in internal and financial controls funds were lying unutilized which should have been utilized for benefit of the masses.

Non utilization of funds resulted in blockage of the Government funds and depriving the beneficiaries from reaping the benefits planned by the Government.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends fixing of responsibilities against the person at fault under intimation to audit.

[AIR Para No. 23]

14.2.5.4.5 Non-verification of deposit proof of Sales Tax – Rs 7.337 million

According to Notification No D.O No. 5 (21) L&P/97-4910(S)-FS Sales Tax return cum payment challan along with supporting documents required (S.R) under the provision of sales Tax Act, 1990 in proof of payment / deposit of Sales Tax into Government treasury are required to be received from the supplier.

Following DDOs of DEA, Multan paid GST amounting Rs 7.337 million on account of various purchases during 2017-2019. Neither 1/5th of the GST was deducted at source nor was verification regarding deposit of the GST made from the contractor / supplier. Audit stressed that evidence regarding deposit of the GST is required to be obtained from the contractor / suppliers. The details are given below:

(Rupees in million)

Sr. No.	Name of Formation	Description	Amount
1	CEO DEA Multan	Neither BOQ nor GST invoice was obtained from contractor for evidence of legal purchase of steel. Further neither 1/5th of the GST was deducted at source nor for was verification regarding deposit Proof of GST made.	5.587
2	Dy. DEO EE-M Sadar Multan	Neither 1/5th of the GST was deducted at source nor was verification regarding deposit Proof of GST made.	0.261
3	Dy. DEO (EE-M) Jalalpur Pirwala	Neither 1/5th of the GST was deducted at source nor was verification regarding deposit Proof of GST made.	1.38
4	Dy. DEO (EE-M) Jalalpur Pirwala	Neither 1/5th of the GST was deducted at source nor was verification regarding deposit Proof of GST made for purchase of bricks.	0.109
Total			7.337

Audit is of the view that due to weak management neither 1/5th of the GST deducted at source nor was verification regarding deposit of the GST made form contractor / supplier.

Non deduction of 1/5th of GST and non-verification regarding deposit of GST may have resulted in loss to the Government amounting Rs 7.337 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends recovery of GST of Rs 7.337 million from concerned firms besides fixing responsibility on the person(s) at fault.

[AIR Para No. 11, 16, 08 and 18]

14.2.5.4.6 Non-deduction of taxes – Rs 4.385 million

According to Section 153(1)(a) of the Income Tax Ordinance, 2001, Income Tax shall be deducted from the claims of the suppliers @ 4.5% of the gross amount payable, if the person is a filer and @ 6.5% if the person is non-filer and from claims of service providers @ 10% if the person is filer and @ 15% if the person is non-filer. Further, according to Section 236-A(1) of the Income Tax Ordinance, 2001, any person making sale by public auction of any property or goods shall collect Advance Tax @ 10 percent. Further, according to Rule 5 read with Sub-Rule (2) of Rule 1 of the Punjab Sales Tax on Services (Withholding) Rules, 2012, a withholding agent shall, on receipt of taxable services from an unregistered service provider, deduct Sales Tax @ 16% of the value of taxable services provided to him.

Head Teachers of various Primary / Elementary schools and DDOs of District Education Authority, Multan made payments to different vendors against services rendered by them during 2017-19. Punjab Sales Tax and Income Tax amounting to Rs 4.385 million was neither deducted nor deposited into the Government treasury. Furthermore, General Sales Tax amounting to Rs 0.303 million was neither deducted from claims of suppliers nor deposited into the Government treasury. Resultantly, taxes amounting to Rs 4.385 million were not deducted / deposited into the Government treasury. The details are given below:

(Rupees in million)

Sr. No.	Name of Formation	Subject	Amount
1	Dy DEO EE-M Sadar Multan	PST and Income were neither deducted	2.479

Sr. No.	Name of Formation	Subject	Amount
		nor deposited by the schools	
2	Dy DEO (EE-W) Jalalpur Pirwala	PST was neither deducted nor deposited by the schools	1.02
3	Dy DEO (EE-W) Jalalpur Pirwala	PST was neither deducted nor deposited by the schools	0.324
4	Dy DEO (EE-W) Shujabad	PST was neither deducted nor deposited by the schools	0.389
5	Dy DEO (EE-M) Jalalpur Pirwala	PST was neither deducted nor deposited by the schools	0.173
6	Dy DEO EE-M Sadar Multan	Loss to government due excess payment without deduction Sales Tax Rs 114,347	0.114
7	Dy DEO (EE-W) Jalalpur Pirwala	Non-imposition and non-payment of sales tax	0.146
8	Dy DEO (EE-M) Jalalpur Pirwala	Loss to government due excess payment without deduction Sales Tax Rs 42,611	0.043
Total			4.688

Audit is of the view that due to weak financial controls, Sales Tax on Services, Income Tax and GST were not deducted / deposited.

Non-deduction / deposit of taxes resulted in loss of Rs 4.385 million to public exchequer.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends recovery amounting to Rs 4.385 million besides fixation of responsibility against person(s) at fault under intimation to Audit.

[AIR Para No. 17, 10, 15, 12, 16, 20, 13 & 19]

14.2.5.4.7 Unjustified expenditure on construction / repair of school buildings from NSB – Rs 3.620 million

According to NSB Guidelines, the School Council will prepare the Development Plan of School as per Annexure-C of Form-6. One Copy of development plan will be sent to concern AEO. All the members of school

council will monitor the development work of school and will ensure the quality, timely completion and low cost of project. The school council will incur expenditure on development work according to market rate or less than market rates. Further, on completion of scheme a completion report of scheme will be sent to Dy. DEO.

School Councils of various Elementary and Primary Schools working under the administrative control of Dy. District Education Officer (EE-W) Jalal Pur Pirwala incurred expenditure amounting Rs 3.620 million on account of construction of toilet block, white wash of class rooms, repair of school buildings etc. during 2017-19. Audit held the entire expenditure irregular due to following shortfalls:

Audit observed the following irregularities:

- i. The expenditure was incurred mostly by drawing simple bills below Rs 50,000 which depicts that expenditure was incurred without getting market rates.
- ii. No estimates of development works were presented before the school council prior to start of work but just the general approval of work to be done was obtained without mentioning the estimated cost of work.
- iii. A huge amount was paid on account of labour charges to contractor / vendors but no detail of labour hired was available on record i.e. Names and numbers of masons and labourers and their CNIC numbers.
- iv. No inspection reports depicting monitoring activity of development works by the School Council members were available on record.
- v. The bills were signed by the head teachers only instead of all members of school councils.
- vi. Satisfactory completion reports of development works duly signed by the members of School Councils were not available on record.
- vii. Completion certificate of development work were not sent to Dy. DEO concerned in violation of guidelines.

viii. Detail of old material /dismantled material available or auctioned was not available on record.

The department is also requested to look into the matter completely as the observation has been raised from the data of a sample of few schools. The details are given below:

(Rupees in million)

Sr. No.	Name of Formation	Description	Amount
1	Dy. DEO (EE-W) Jalalpur Pirwala	Irregular expenditure was incurred on construction / repair of school buildings from NSB without fulfilling codal formalities as envisages in rules.	3.62
Total			3.62

Audit is of the view that due to weak administration, expenditure from NSB was incurred in an irregular manner in violation of guidelines issued by the Government for utilization of the NSB.

Non observance of guidelines of the Government resulted in irregular expenditure amounting Rs 3.620 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization of the expenditure under intimation to audit.

[AIR Para No. 18]

14.2.5.5 Others

14.2.5.5.1 Unauthorized release of supplementary grant without approval of the competent authority - Rs 866.727 million

According to letter No. FD SO (Goods) 44-4/2016 of Government of the Punjab Finance Department Dated 14-Sept, 2017, all the administrative departments shall remain within the budgetary allocations to minimize the incidence of supplementary grants, further, the request for supplementary grants, if unavoidable, shall require approval of the Provincial cabinet / Cabinet Committee on Finance & Development. According to Rule 65 1) (2) of Budget Rules of District Authorities 2017, in case a head of office or institution considers that need for additional funds has arisen for which no re-appropriation is available, he shall submit a proposal for supplementary grant to the CEO. The proposal shall be accompanied by an explanatory note justifying the supplementary grant.

Chief Executive Officer (District Education Authority) Multan, issued Rs 866.727 million as supplementary grant during the Financial Year 2018-19 to the different offices of the Education Authority Multan without the approval of provincial cabinet through the chief Minister Punjab by violating Government instructions. The details are given below:

(Rupees in million)

Budget Grant	Supplementary Budget	Re-appropriation (+)	Re-appropriation (-)	Surrender	Final Grant	Releases
10,210.048	866.727	0	0	1,283.261	9,793.513	9,793.513

Audit is of view that due to weak financial management supplementary grant was issued without approval.

Issuance of supplementary grant without approval of the provincial cabinet resulted in violation of the Government instructions.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization from the competent authority besides fixing the responsibility under intimation to Audit.

[AIR Para No. 01]

14.2.5.5.2 Non-surrender of savings / lapse of non-development budget – Rs 191.283 million

According to Rule 54 of the Punjab Local Government (Budget) Rules 2003, if the expenditure under any head of account at the close of the year is less by more than 10% of the actual allocation the head of the office shall be responsible to explain such less expenditure to the satisfaction of the Accounts Committee concerned. Further, according to Para 14.3 of the Punjab Budget Manual, the head of departments should submit to the Finance Department the Statement of Excesses and Surrenders by the 31st March.

Following DDOs of District Education Authority, Multan did not surrender the available savings of Rs 191.283 million on account of salary and non-salary budget during the period 2017-19. Non-utilization of funds indicates poor budgeting and the needy formations were deprived of the funds.

(Rupees in million)

Sr. No.	Name of Formation	Subject	Amount
1	Dy. DEO EE-M Sadar Multan	Non-Surrender of anticipated Savings under salary and non-salary heads of accounts	134.001
2	Dy. DEO (EE-W) Jalalpur Pirwala	Non-Surrender of anticipated Savings under salary and non-salary heads of accounts	46.47
3	Dy. DEO (EE-M) Jalalpur Pirwala	Non-Surrender of anticipated Savings under salary and non-salary heads of accounts	10.812
Total			191.283

Audit is of the view that due to weak financial controls, funds were not utilized and savings were not timely surrendered.

Non utilization and non-surrender of savings amounting Rs 191.283 million resulted in non-compliance of the Government rules.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization from competent authority besides fixing of responsibility on the person(s) at fault.

[AIR Para No. 13, 05, 02]

14.2.5.5.3 Unauthorized payment of development works without pre-audit – Rs 141.792 million

According to Sr. No. 4.9 of Accounting Policies and Procedure Manual read with section 4.9.10.4 pre-audit and accounting function regarding contractor / works payment of development works will be performed by the Divisional Accounts Officer posted by DG Accounts Lahore instead of District Accounts Officer. According to Finance Department, Government of the Punjab's letter No. FD(W&M)21-1/2018-19/DEA/1010 dated 12.10.2018, the expenditures on the schemes may be incurred by the nominated executing agency after having the feasibility established and issuance of A.A. by competent authority and completion of all codal, procedural/ legal formalities. According to School Education Department, Government of the Punjab's letter No. SO(ADP-1) Review-418/Release-420/2018-19 dated 04.04.2019, it is, further, referred that under Rule-31 read with Rule 93(g) of DEA Accounts Rules 2017, permits Education Authority to execute the developments work through deposits works pertaining to school education department. Further according to the Government of Punjab Finance Department Letter No.SO(H-1)1-41/2017(P&SHCD) (AD)(Prov) dated 4th April 2019, it was clarified that the Education Authority in absence of Engineering wing may opt for construction work executed in "Deposit Works".

CEO Education, Multan made the payment of development works amounting to Rs 141.792 million without the pre-audit of development

expenditures. The payments were made by the CEO Education despite the non-availability of engineering wing instead of transferring the funds through deposit works by ignoring Finance Department Clarification.

(Rupees in million)

Name of Formation	Subject	Amount
CEO DEA Multan	Unauthorized payment of development works without pre-audit	141.792
Total		141.792

Audit is of the view that due to maladministration District Accounts Officer-I Multan made payments without pre-audit.

Payment without pre-audit resulted in irregular payment of Rs141.793 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization besides fixation of responsibility against person(s) at fault under intimation to Audit.

[AIR Para No. 06]

14.2.5.5.4 Expenditure over and above budget allocation – Rs 132.429 million

According to Government of the Punjab Finance Department's letter No. So (TT) 3-1/98 19th November 2001 reconciliation of receipt and expenditure is to be done promptly as prescribed under the rule.

Following Drawing and Disbursing Officers (DDOs) irregularly incurred expenditure amounting to Rs 132.429 million during 2008-19 on account of pay and allowances and contingent expenditure over and above the budget grant for such expenditure.

(Rupees in million)

Office	Cost Center	Financial Year	Budget	Expenditure	Difference
Dy DEO EE-M Sadar	MC6018	2017-18	331.512	458.240	-126.728

Office	Cost Center	Financial Year	Budget	Expenditure	Difference
Dy DEO EE-M Sadar	MC6018	2018-19	8.278	8.546	-0.268
Dy DEO EE-M Sadar	MC6022	2017-18	7.235	13.696	-0.704
Dy DEO EE-M Sadar	MC6022	2018-19	12.991	11.748	-4.513
Sub-Total			360.016	492.230	-132.214
Dy DEO EE-W Jalalpur Pirwala	MC6029	2018-19	10.166	10.269	-0.103
Dy DEO EE-W Jalalpur Pirwala	MC6034	2018-19	4.114	4.227	-0.113
Sub-Total			14.280	14.495	-0.215
Total			374.296	506.725	-132.429

Audit is of the view that due to weak financial controls, expenditure was incurred over and above the budget allocation.

Non-compliance of the Government instructions resulted in excess expenditure of Rs 132.429 million over and above the budget allocation.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No. 14, 02]

14.2.5.5.5 Release of funds without the approval of competent authority– Rs 115.684 million

According to Rule 11(2) (a) of Punjab District Authorities (Accounts) Rules 2017, the Chief Executive officer is responsible for internal control and management of funds and expenditures.

Deputy District Officer Budget and Accounts released the funds amounting Rs 131.289 million for the clearance of leave encashment bills of the employees of Education Department against the approved amount of Rs 15.605 million for the same purpose. This resulted in excess booking of expenditures and utilization of even development grants towards the payment of leave encashment bills. Matter was also brought into the notice of District Accounts Officer Multan

vide letter bearing number 6277 dated 20.06.19 that the bills of leave encashment as well as financial assistance are being dealt at your good office without prior approval of CEO DEA Multan. Due to excess payment of leave encashment bills, State Bank of Pakistan refused to clear the cheques on 28.06.2019 on the grounds of insufficient funds in Account –V of District Education Authority.

(Rupees in million)

Sr. No.	Month	Total Expenditures of Leave Encashment	Amount of bill passed with the approval of CEO (DEA), Multan	Excess budget released and passed without the approval of CEO Education
01	Mar-19	2.758	0.000	2.758
02	April-19	0.261	3.054	-2.793
03	May-19	12.550	3.118	9.432
04	June-19	115.721	9.434	106.287
Total		131.289	15.605	115.684

Audit is of the view that due to weak financial management huge amount was withdrawn from the District Accounts Office without the approval of competent authority.

Unauthorized release and passing of bills without the approval of funds resulted in irregular payment of Rs115.684 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends regularization of release without approval of CEO DEA and expenditure in excess of approved amount besides fixing of the responsibility under intimation to Audit.

[AIR Para No. 07]

14.2.5.5.6 Irregular payments for brick work without bricks tests reports – Rs 54.061 million

According to MRS remarks column, if 2nd class bricks are used, the rate of bricks may be reduced by 7% of the composite rate. Further according to Rule

16 (b), Punjab District Authority Accounts Rules 2017, the accounts officer shall perform the pre-audit of all payments from the local fund and public accounts of a District Authority before authorizing disbursement of amounts.

Chief Executive Officer (District Education Authority) Multan, made payment of civil works of Education Authority for the financial year 2018-19, it was observed that an amount of Rs 54.061 million was paid against the item brick work but brick test reports to verify the compressive strength of bricks were not available on record. The payments made without conducting brick tests were therefore held irregular. **Annexure –I/MLN**

(Rupees in million)

Sr. No.	Name of Formation	Description	Amount
1	CEO DEA Multan	Irregular payments of item brick work was made without bricks tests reports	54.63
Total			54.63

Audit is of the view that due to weaknesses in the internal and supervisory irregular payments were made for the item brick work without ensuring quality of the bricks through brick test reports.

Payment of item brick work without brick test reports resulted in irregular payment of Rs 54.061 million and non-recovery of cost of using second class bricks Rs 3.78 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends that either brick test reports be shown to Audit for verification or recovery may be made by reducing rate of bricks by 7% of the composite rate besides fixing of the responsibility on the concerned under intimation to Audit.

[AIR Para No. 09]

15. District Education Authority (DEA) Pakpattan

Chapter 1

Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts of District Education Authority Pakpattan on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	4,278.144	3,931.697	(346.447)	-8%
Non-salary	124.342	116.130	(8.212)	-7%
Development	150.320	67.431	(82.889)	-55%
Sub Total	4,552.806	4,115.258	(437.548)	-10%

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 67.431 million against an allocation of Rs 150.320 million for development schemes of construction of school buildings, dangerous classrooms, provision of missing facilities and provision of IT labs in high schools and an amount of Rs 82.889 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 437.548 million was lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statements (Certification Audit 2019-20)

The following issues surfaced during Certification Audit of District Education Authority Pakpattan for the Audit Year 2019-20.

- Understated Books of Accounts of District Education Authority – Rs 306.337 million
- Non Reporting of Fixed Assets – Rs 7.357 million

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department Punjab. However, these issues have been reported in the audit certificate as emphases of matter.

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Pakpattan was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicator	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Quality indicators LND Test Results	LND	82	86.70	Achieved
Core Indicator	Students attendance (Kachi-12)	92	94.50	Achieved
	Teacher Presence	90	95.66	Achieved
	Head Teacher Presence	92	97.30	Achieved
	Availability of boundary	98	95.80	Not Achieved

Indicator	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
	wall			
	Availability of drinking Water	95	99	Achieved
	Availability of Furniture	70	67	Not Achieved
	Classrooms observations	90	100	Achieved
Infrastructure Indicators	Safe Building	98	100	Achieved
	NSB Time Lines	90	100	Achieved
	NSB Utilization	90	92	Achieved
	Sufficiency of Toilets	91.40	97	Achieved
Retention Indicators	Retention (Kachi-12)	97	96.60	Achieved
Monitoring and management Indicators	School Hygiene	80	86.70	Achieved
Hot Line Complaints resolution Indicators	On Time resolution	90	100	Achieved

*Source: Data received from CEO (DEA) Pakpattan

iii. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- Record of expenditure amounting to Rs 21.068 million was not produced in 04 cases.
- Recoveries and overpayment amounting to Rs 51.335 million were pointed out in 52 cases.
- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 29.879 million was observed in 11 cases.
- Weak Internal Controls involving amount of Rs 57.964 million was noticed in 21 cases.
- Poor performance of the management having financial impact of Rs 435.508 million was found in 32 cases.

iv. Service Delivery Issues

From the Data analysis of DEA Pakpattan following service delivery issue was observed:

- Availability of furniture was targeted 70%, while it could be achieved only 67%, student could not avail class room furniture despite provision of huge non-salary budget.

v. Expectation Analysis and Remedial Measures

District Education Authority:

CEO (DEA) did not achieve its overall targets regarding availability of boundary wall, furniture, NSB in timely releases, retention of students (K-12). The management failed in optimal utilization of NSB funds. Furthermore, targets pertaining to AEOs visits, Students Attendance & Retention (1-5), Dangerous Building, etc. were not fixed. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and probity in use of development and non-development funds. Moreover, this can be checked by holding accountable those who are responsible for such irregularities at appropriate forums.
- Shortage of teaching staff at different levels should be overcome.
- Efforts should be made for expediting the realization of various Government receipts and overpayments.
- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

15.1.1 Audit Paras

15.1.1.1 Understated Books of Accounts of District Education Authority – Rs 306.337 million

Risk Categorization: Moderate

Criteria:

According to Rule 3 (3) (4) of Punjab District Authorities (Accounts) Rules, 2017, all condition grants shall be included in budget and shall be utilized in accordance with the specific conditions. The District Authority may or if requirement by the Government shall maintain a separate bank account for any special purpose and shall be administrated, maintained and regulated as the local fund of District Authority.

Facts:

DAO Pakpattan made payment amounting to Rs 306.337 million to different schools under administrative control of District Education Authority Pakpattan during 2018-19 as non-salary budget (NSB). The funds were released by Provincial Government from Account-I in SDA of Chief Executive Officer Education Pakpattan. The salary expenditure of these institutions were booked to District Education Authority Account-V but non salary expenditure was charged to Account-I. The booking of expenditure in two different accounts related to schools under administrative control of District Education Authority was irregular. Further, the expenditure was also misclassified and booked to major head of account of account A05 Grants and Subsidiary instead of relevant object classification. Hence, the accounts of District Education Authority were not presenting true and fair view. The detail is as under:

(Amount in rupees)

Grant No.	Document No.	Posting Da	C. center	G/L Acc	G/L Acc Description	Amount
15	1601085601	18.07.2018	PK5076	A05270	To Others	444,138
15	1601042040	17.09.2018	PK5076	A05270	To Others	92,602,123
15	1601042040	17.09.2018	PK5076	A05270	To Others	10,984,464
15	1601042040	17.09.2018	PK5076	A05270	To Others	7,312,446
15	1601042040	17.09.2018	PK5076	A05270	To Others	663,112

15	1601105069	08.05.2019	PK5076	A05270	To Others	852,228
15	1601105069	08.05.2019	PK5076	A05270	To Others	153,382,254
15	1601105069	08.05.2019	PK5076	A05270	To Others	19,559,543
15	1601105069	08.05.2019	PK5076	A05270	To Others	11,882,665
15	1601115922	15.06.2019	PK5076	A05270	To Others	6,996,000
15	1601155930	20.06.2019	PK5076	A05270	To Others	1,657,792
Total						306,336,765

Implications:

The booking of non-salary expenditure to Account-I resulted in understated expenditures / Financial Statement of District Education Authority.

Recommendations:

Audit recommends proper justification or corrective measures for fair view of accounts of District Education Authority Account-V.

Management Response:

The DAO replied that non-salary expenditure was booked to A/C-I, as per Government Policy. No irregularity occurred. The reply was not acceptable as no evidence was provided.

DAC Decision:

The DAC kept the para pending for verification.

15.1.1.2 Non Reporting of Fixed Assets – Rs 7.357 million

Risk Categorization: High

Criteria:

According to Section 2.2.7 of the Financial Reporting Manual a statement of fixed assets should be prepared for each reporting period.

Facts:

During certification audit of A/C V it was noticed that District Accounts Officer Pakpattan neither prepared “Statement of Fixed Assets” for the year 2018-19 nor were the Fixed Assets reported in the Balance Sheet, in violation of section 2.2.7 of the Financial Reporting Manual. Furthermore, expenditure of

Rs 7.357 million was booked in the accounts as A09 (Purchase of Assets), but same was not reflected in the balance sheet. Furthermore, assets of education department were more than the amount mentioned above in shape of schools building, furniture & fixture, machinery and equipment etc.

Implications:

- Financial statement did not show proper record
- Valuations of assets could not be maintained
- Chances of errors could not be ruled out

Recommendations:

The detail regarding fixed assets be maintained at appropriate level.

Management Response:

The DAO Pakpattan replied that fixed assets statement is being maintained in SAP R/3. A fixed account number is generated at the time of punching and processing of purchase of assets claims of every department. The fixed assets list punched during the financial year 2018-19 can be examined from SAP R/3. The reply was not acceptable as fixed assets report should be maintained.

DAC Decision:

The DAC decided to shift the para on department and department will take the matter with higher authorities to resolve the matter. Para kept pending.

Chapter 2

DEA Pakpattan

15.2.1 Introduction

District Education Authority, Pakpattan was established on 01.01.2017 under Punjab Local Government Act 2013. DEA Pakpattan is “a body corporate having perpetual succession and common seal, with power to acquire / hold property and enter into contract and may sue and be sued in its name”.

The functions of District Education Authority, Pakpattan as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise the primary, elementary, secondary and higher secondary schools, adult literacy and non-formal basic education, special education institutions of the Government in the District;
- implement policies and directions of the Government including achievement of key performance indicators set by the Government for education;
- ensure free and compulsory education for children of the age from five to sixteen years as required under Article 25-A of the Constitution;
- ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education as may be prescribed;
- undertake students’ assessment and examinations, ranking of schools on terminal examination results and targets, promotion of co-curricular activities, sports, scouting, girl guide, red crescent, award of scholarships and conduct of science fairs in Government and private schools;
- approve the budget of the Authority and allocate funds to educational institutions;

- plan, execute and monitor all development schemes of educational institutions working under the Authority, provided that the Authority may outsource its development works to other agencies or school councils;
- constitute school management councils which may monitor academic activities;
- plan and finance maintenance of school, support enrolment and retention, arrange donation and finances, plan development and may perform any other role as may be prescribed; and
- perform any other function assigned by the Government, a Commission or a body established by law in the prescribed manner.

DEA Pakpattan manages following educational facilities and institutes:

Description	No. of Education Institutes
Chief Executive Officer (Education)	1
District Education Officers (Secondary)	1
District Education Officer (EE-M)	1
District Education Officer (EE-W)	1
District Education Officers (Literacy)	1
Deputy District Education Officers (EE-M)	2
Deputy District Education Officers (EE-W)	2
Higher Secondary Schools (Boys & Girls)	9
High Schools (Boys & Girls)	89
Special Education Schools / Centers	3
Elementary Schools	154
Primary Schools	605
Mosque / Madrassa Schools	8

*Source: Data received from CEO (DEA) Pakpattan

The following table shows detail of total & audited formations of DEA Pakpattan:

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2018-19 (Rs in million)	Revenue / Receipts audited FY 2018-19 (Rs in million)
1	Formations	220	05	467.397	13.069
2	Assignment	-	-	-	-

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2018-19 (Rs in million)	Revenue / Receipts audited FY 2018-19 (Rs in million)
	Accounts (excluding FAP)				
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

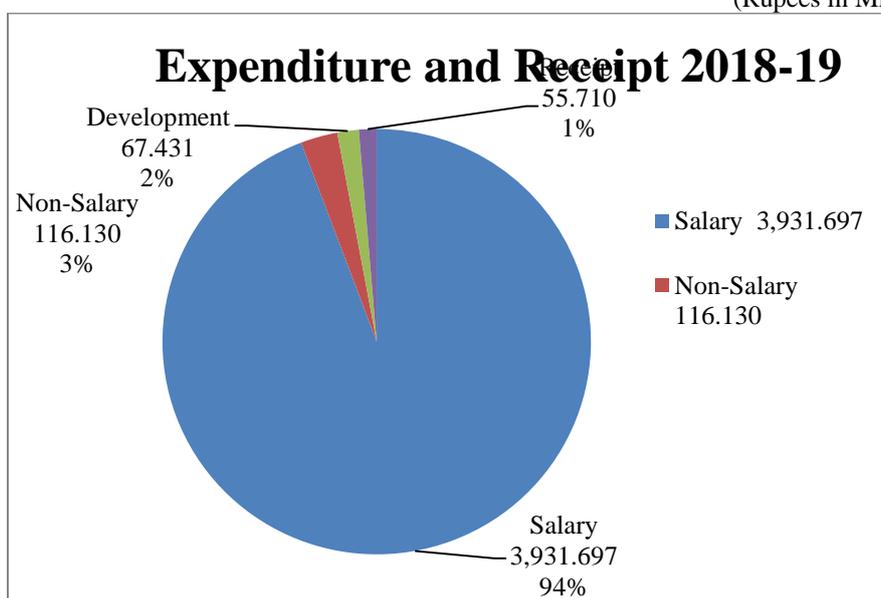
15.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in Million)

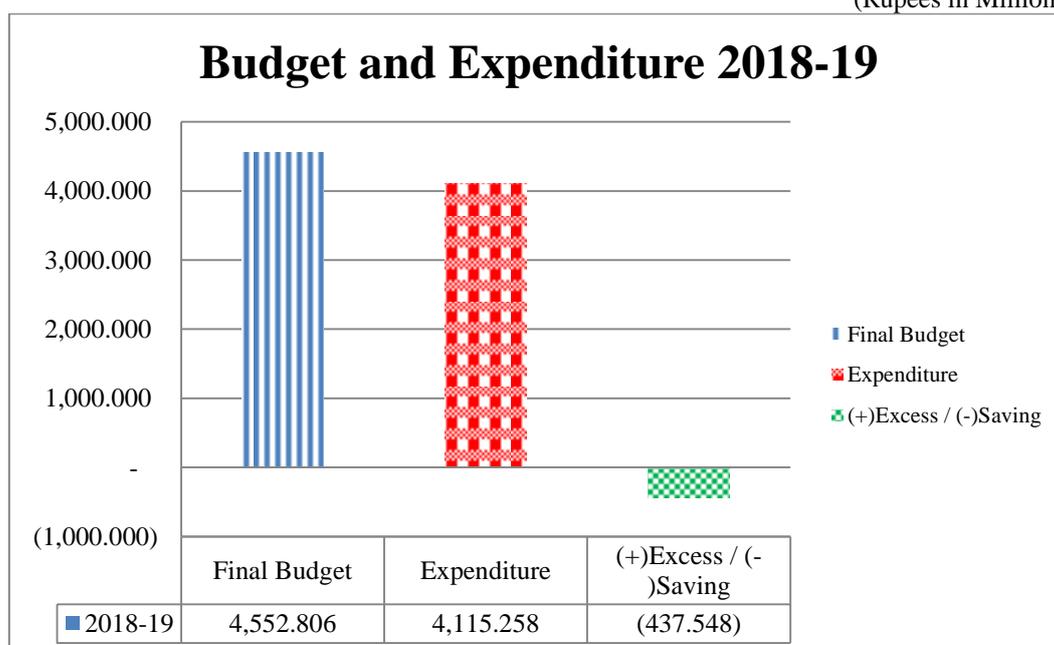
2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	4,278.144	3,931.697	(346.447)	-8%
Non-salary	124.342	116.130	(8.212)	-7%
Development	150.320	67.431	(82.889)	-55%
Sub Total	4,552.806	4,115.258	(437.548)	-10%
Receipts	79.586	55.710	(23.876)	-30%

(Rupees in Million)



As per the Appropriation Accounts for financial year 2018-19 of District Education Authority Pakpattan, total original budget (Development and Non-Development) was Rs 3,374.440 million, supplementary grant was Rs 1,178.365 million and the final budget was Rs 4,552.806 million. Against the final budget, total expenditure of Rs 4,115.258 million was incurred by District Education Authority during financial year 2018-19. A saving of Rs 437.548 million came to the notice of Audit, which shows that the District Education Authority failed to provide basic education services and infrastructure development. No plausible explanation was provided by the PAO and management of District Education Authority (**Annexure-B**).

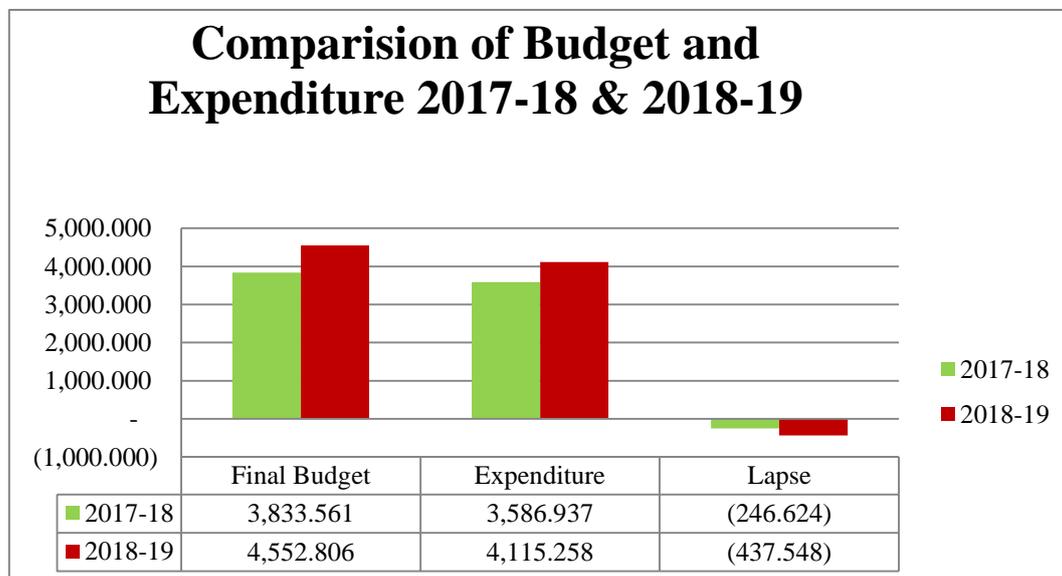
(Rupees in Million)



In Education Department saving of Rs 437.548 million (10% of allocation) occurred by over estimating / releasing the budget against the vacant posts because no recruitment against these vacant posts was made during the financial year 2018-19. Further funds of School Management Council (SMC)

were not utilized properly despite availability. The same resulted in depriving of the students / populace from necessary facilities, such as provision of furniture & fixture, laboratory equipment and civil work.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:



There was 19% and 15% increase in budget allocation and expenditure incurred respectively in financial year 2018-19 as compared to financial year 2017-18, while there was overall savings of Rs 437.548 million during 2018-19.

15.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 541.378 million were raised as a result of this audit. This amount also includes recoverables of Rs 49.891 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs in million)
1	Non-production of record	18.074
2	Reported cases of fraud, embezzlement and misappropriation	0

Sr. No.	Classification	Amount (Rs in million)
3	Irregularities	0
A	HR / employees related irregularities	274.287
B	Procurement related irregularities	130.533
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	62.603
5	Others	55.881

15.2.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee.

Status of Previous Audit Reports

S. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2018-19	30	PAC meeting was not convened

15.2.5 AUDIT PARAS

15.2.5.1 Non Production of Record

15.2.5.1.1 Non Production of record – Rs 18.074 million

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts.

The following DDOs under the jurisdiction of Chief Executive Officer (DEA) Pakpattan did not produce the various record of Rs 18.074 million during financial year 2018-19 despite various verbal and written requests. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	CEO Education	Record of Registration Files of Schools	8.872
2	Dy. DEO (EE-W) Arifwala	Vouched accounts of inspection allowance payment.	2.00
3	Dy. DEO (EE-W) Arifwala	Vouched accounts of the Expenditure of Madrasa of Jamat-U-Dawa. Servie books of the office staff and teachers.	7.202
Total			18.074

Audit is of the view that due to weak internal controls and willful evasion from audit, record was neither properly maintained nor produced for audit verification.

Non production of record created doubts regarding legitimacy of expenditure incurred amounting Rs 18.074 million.

The matter was reported to the CEO of District Education Authority and DDOs concern in August, 2019. DDOs did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry and fixing responsibility on the person(s) at fault besides production of record to Audit for verification.

[AIR Para No. 19,15 &12]

15.2.5.2 Irregularities

15.2.5.2.1 Payment of Pay & allowances without availability of sanctioned posts of same scales in the Budget Book - Rs 154.131 million

According to letter No. FD-101-14/779(Finance) -1 of the Govt. of Punjab Finance Department Date 6th June-2017, Governor of the Punjab has been pleased to upgrade the posts of Primary school teacher (PST) , Elementary school teacher (EST) in relaxation of ban on up-gradation of posts with effect from 01.01.2018.

Sr. No.	Name of the Post	Existing BS	Upgraded BS
1	Primary School teacher (PST)	9	14
2	Elementary School teacher (EST)	14	15

Deputy DEO (EE-M) Arifwala of DEA Pakapattan, allowed pay and allowances of Rs 154.131 million against the un-upgraded posts in the budget book for the Financial year of 2018-19. Posts of Primary School Teachers & Elementary School Teachers were upgraded from BS-9 to BS-14 & BS-14 to BS-15. But such posts were not upgraded in the budget book of the cost center LT-6013. Primary School Teacher Seats were reflecting of BS-09 in Budget book and Elementary School Teachers seats were reflecting BS-14, while the teachers were paid Rs 154.131 million as per upgraded pay scales. Drawl of salary was irregular and requires the regularization from the FD.

Audit is of view that due to weak management unjustified payment of salary of the higher scale without availability in the budget book was given.

Drawl of huge amount of salary without availability in the budget resulted irregular drawl of salary of Rs 154.131 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends that regularization of the expenditure be made under besides fixing the responsibly on the Person(s) at fault intimation to Audit.

[AIR Para No. 08]

15.2.5.2.2 Irregular expenditure from NSB funds – Rs 96.075 million

According to serial No. 4 NSB Guidelines 2014-15 issued by Government of the Punjab, Education Department, the School Councils will observe the Punjab Procurement Rules while incurring expenditure from NSB funds. The School Council may allow the Head Teacher to draw an amount for petty expenditure which should, in no case exceeded to Rs 5,000. If possible all payment exceeding Rs 10,000 should be made through cross cheques.

The various school councils under the administrative control of Dy. DEOs of District Education Authority Pakpattan, incurred an expenditure of Rs 96.075 million out of NSB funds during financial year 2018-19.

(Rupees in million)

Sr. No	DDO Description	Amount
1	Dy. DEO (EE-W) Arifwala	9.236
2	Dy. DEO (EE-M) Arifwala	7.42
3	Dy. DEO (EE-W) Pakpattan	25.700
4	Dy. DEO (EE-M) Pakpattan	53.719
Total		96.075

Audit observed the following irregularities:

- i. The entire expenditure was incurred by splitting the indents and small bills up to Rs 50,000 were drawn to avoid the tendering process.
- ii. The expenditure was incurred by cash withdrawal from bank in excess of permissible limit despite the fact that all registered firms have their bank accounts.
- iii. The date of bills of suppliers / traders did not match with the date of cash withdrawal which depicts that purchases were made / repair work was

done from local market and later on, bills from registered firms were prepared to complete the record.

- iv. The bills were not signed by Co-Chairman / members of School Councils.
- v. No quality /quantity certificate of purchases made / work done was available on record.
- vi. Most of the schools did not enter cash withdrawn from bank on receipt side of cash book.
- vii. Temporary teachers, and other staff were hired from NSB funds but no agreement for hiring of staff was produced to Audit.
- viii. The deduction of Income Tax / Sales Tax was not properly monitored. The Sales Tax deposit proof provided by the firms were not authentic as the invoice No. & Date of bill did not match with the invoices.
- ix. Procurement Plan as required under Guideline-4 was not prepared.
- x. Proper Stock register of material purchased was not maintained on the prescribed format.

Audit is of the view that due to weak monitoring control the NSB funds were not incurred as per NSB Guidelines.

Non compliance of Government instructions resulted into irregular expenditure of Rs 96.075million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDOs did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of irregularity besides improvement of financial discipline regarding NSB funds under intimation to Audit.

[AIR Para No.10, 26, 15, 19]

15.2.5.2.3 Irregular withdrawal of pay and allowances more than sanctioned Post - Rs 46.782 million

According to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer shall be responsible the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Following DDOs of (DEA) Pakpattan allowed to draw the salaries of Rs 46.782 million in excess the sanctioned posts during financial year 2018-19. Audit compared the sanction posts as per budget with the HR / SAP data and found this excess withdrawal. Detail is as under:

(Rupees in million)

DDO	Cost Center	BPS	Post	Sanctioned Post	Salary Drawn	Excess	Name	Total
CEO Education	PY6113	16	Head Clerk	0	1	1	ZahidGohar	0.636
	PY6004	3	Security Guard	2	5	3	GhulamFarid	0.288
	PY6004	3	Security Guard				GhulamSabir	0.210
	PY6004	1	Security Guard				Muhammad Bukhsh	0.198
Dy. DEO (EE-M) Arifwala	PY-6016	14	SESE	68	164	42	-	45.45
		14	EET	54				
Total								46.782

Audit is of view that due to poor management, unjustified excess withdrawal of pay and allowances was made than the sanctioned posts.

Irregular payment of salaries than the sanctioned posts resulted in irregular payment of Rs 46.742 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDOs did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter, recovery of amount from concerned besides fixing responsibility on person(s) at fault.

[AIR Para No.08, 07]

15.2.5.2.4 Irregular Drawl of arrears of pay & allowances without allocation of separate Budget- Rs 21.826 million

According to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer shall be responsible the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Following DDOs of (DEA) Pakpatan allowed withdrawing arrears of salary of Rs 21.826 million to the employees of the different DDOs of its jurisdiction during Financial Year 2018-19. No case of pending salary was put up and no separate budget was released for withdrawal of pending pays. Neither budget was released nor was the approval of cases made by the CEO office Pakpatan. Huge amount of arrears were drawn without any check and balance. The detail is as under:

(Rupees in million)

Sr. No.	Name of DDOs	Amount
1	Dy. DEO (EE-M) Arifwala	8.230
2	Dy. DEO (EE-W) Arifwala	13.596
Total		21.826

Audit is of view that due to weak management unjustified excess fake claim of arrear bills were drawn without release of separate budget.

Withdrawal of huge amount of arrear bills may result into fake claims of arrear bills and loss to Government of Rs 21.826 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDOs did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends that responsibility be fixed and recovery of the amount be made under intimation to Audit.

[AIR Para No. 02, 17]

15.2.5.2.5 Irregular expenditure without vetting of School council Committee -Rs 19.917 million

According to the para3 of NSB manual, all purchases / execution of work shall be carried out by the school council in transparent and economical manners. The cash book and allied details / vouchers shall be verified and approved by the school councils in a special meeting on 6 monthly basis i.e by 15th Jan and 15th July.

Various school councils under the administrative control of Dy. DEO (EE-M) Arifwala of DEA Pakpattan incurred expenditure of Rs 19.917 million during financial year 2018-19 without vetting the SMC committee. Expenditure were made irregularly and were not vetted by the SMC committee.

Audit is of the view that due to weak financial management expenditures were made without vetting the SMC committee.

Non compliance of Government instructions resulted into irregular expenditures.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure besides fixing of responsibility on the persons at fault under intimation to Audit.

[AIR Para No. 24]

15.2.5.2.6 Irregular payment of inspection allowance – Rs 16.90 million

According to Government of the Punjab School Education Department letter No.SO (Budget) 1-15/2013 (Vol-II), the sanction was given to grant Inspection Allowance of Rs 25,000 per month with immediate effect to each Male / Female Assistant Education Officer (AEOs) working in School Education

Department subject to verifiable Key Performance Indicators developed by the School Education Department in consultation with DIFD as issued vide Notification No. SO (SE-III) 5-226/2017 dated 12.09.2017. Further, according to AG Punjab office order No.O.O.No.TM-1/212 dated 03.10.2018, the payment of Inspection Allowance allowed to Assistant Education Officers into all over the Punjab with Pay Roll be stopped immediately and should be paid through bills / computer changes after expiry of the month for which the Inspection Allowance is being drawn after fulfillment of requirement, of the said allowance & subject to fulfillment of Verifiable Performance Indicators.

Following DDOs did not ensure discontinuation of payment of inspection allowance through computerized pay roll amounting Rs 16.90 million during financial year 2018-19 to AEOs despite the same was payable after fulfillment of Verifiable Performance Indicators.

(Rupees in million)

Sr. No.	DDOs	Amount
1	Chief Executive officer (DEA) Pakpattan	14.110
2	Deputy District Education Officer (EE-W) Arifwala	2.790
Total		16.900

Audit is of the view that due to weak management, the inspection allowance was paid without verifying of Performance Indicators through monthly pay roll.

Non compliance of Government instructions resulted in irregular payments amounting to Rs 16.90 million and chances of payment of the allowance to below standard performers.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure besides fixing of responsibility on persons at fault under intimation to Audit.

[AIR Para No.04&22]

15.2.5.2.7 Unjustified payment of SSB – Rs 11.574 million

According to S&GAD (Regulation Wing) Notification No.SO/DS (O&M) (S&GAD) 5-3/2003 dated 01.03.13, employees working on contract was required to be regularized with immediate effect and the salary component of such employee shall be in accordance with the pay scales plus usual allowances prescribed for the posts against which they are being appointed. They will, however, not be entitled to the payment of 30% social security benefits in lieu of pension or any other pay package being drawn by them. Further according to Term and Condition No.6 of orders of regularization issued in different dates, these appointee shall not be entitled to the payment of 30% SSB w.e.f. the date of regular appointment in lieu of pension or any other pay package being drawn by them during the contract period.

Following DDOs of DEA Pakpattan made payment on account of 30% social security benefit Rs 11.574 million during 2018-19 despite the fact that services of these staff should be regularized as per directions of Government. Due to negligence of the DC and CEO Education the services of educators working on contract basis were not regularized so far. Due to which Government has to pay Rs 8.124 million on account of SSB to these contract employees.

(Rupees in million)		
Sr. No.	DDO Description	Amount
1	Dy. DEO (EE-W) Arifwala	8.124
2	Dy. DEO (EE-M) Arifwala	3.45
Total		11.574

Audit is of the view that due to weak internal controls, the Punjab Government instructions have not been complied with despite of lapse of more than one year.

Payment of Social Security Benefit 30% to contractual employees resulted into excess expenditure of the Government amounting to Rs 11.574 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDOs did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of contract employees who fulfilled the required criteria as per Punjab Regularization of Service Act, 2018, under intimation to Audit.

[AIR Para No. 04, 05]

15.2.5.2.8 Irregular expenditure by splitting the indents – Rs 11.315 million

According to Rules 9, 10 (2) and 12 of the Punjab Procurement Rules 2014, procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly, without any splitting or regrouping of the procurements so planned and annual requirements thus determined would be advertised in advance on the PPRA's website. Procurement opportunities over Rs 100,000 and up to Rs 2 million shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time. All procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

Following DDOs of Pakpattan incurred an expenditure of Rs 11.315 million during Financial Year 2018-19 on account of purchase of various items from the heads of accounts stationery, printing and publications, machinery and furniture and fixture without tender process or calling quotations by splitting up the indents of purchase to keep them within the limit of 50,000. All the purchases were made from a single general order supplier i.e. Kanwer Brothers. Purchases by splitting up indent resulting into uneconomical and irregular purchases.

(Rupees in million)

Sr. No.	Name of Office	Amount
1	CEO Education	2.079
2	Dy. DEO (EE-W) Arifiwala	9.236
Total		11.315

Audit is of the view that due to weak financial controls, PPRA Rules were violated for purchases.

Non-compliance of PPRA Rules resulted in irregular and uneconomical expenditure amounting to Rs 11.315 million.

The matter was reported to the CEO District Education Authority and DDOs concern in August, 2019. DDOs did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing responsibility on person(s) at fault.

[AIR Para No.09,08]

15.2.5.2.9 Unjustified payment of Social Security Benefits- Rs 7.460 million

According to Punjab District Authority Rules 2017 rule 11 and 11(h) “ The Chief executive Officer Shall be responsible for proper maintenance of departmental accounts and financial discipline of district authority, subordinate offices , institutions and is responsible for arranging internal control. Further, According to Para No. 1 of letter dated 1st March-2013 of the Government of The Punjab Service & General Administration Department (Regulations Wing) , The Chief Minister, Punjab, in exercise of the powers conferred upon him by rule 23 of the Punjab Civil Servants (Appointment and conditions of service) Rules, 1974 is please to order appointment of employees in BS-1 to 15, recruited on contract basis against the post presently held by them in various government departments of the Punjab on regular basis. According to Para No. 05, the salary component of such

employees shall be in accordance with the pay scales plus the usual allowances prescribed for the posts against which they are being appointed. They will , however not be entitled to the payment of 30% social security benefit in Lieu of Pension or any other pay package being drawn by them.

Chief Executive Officer (PAO-DEA) Pakpattan allowed drawing of SSB allowance to Rs7.46 million to those employees who were regularized in compliance of above mentioned order. The employees were either regularized w.e.f either on 19.10.2009 or 07.08.2015 but they continued drawing of SSB allowance since their regularization. However, no deduction/recovery of the said allowance was made from the concerned.

(Rupees in million)

Sr. No.	Name of Office	Amount
1	CEO Education	4.418
2	Dy. DEO (EE-M) Arifiwala	1.385
3	Dy. DEO (EE-W) Arifiwala	1.657
Total		7.460

Audit is of the view that due to weak internal controls, 30% SSB Allowance was paid to employees despite directions of government for regularization of staff.

Unjustified payment of SSB allowances resulted into loss to government amounting Rs 7.46 million.

The matter was reported to the CEO of District Education Authority and DDOs concern in August, 2019. DDOs did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends responsibility be fixed and recovery /regularization of the expenditure be made under intimation to Audit.

[AIR Para No.20, 06, 05]

15.2.5.2.10 Unauthorized expenditure by School Councils beyond permissible limit – Rs 3.226 million

According to Punjab District Authority Rules 2017 rule 11 and 11(h) “The Chief executive Officer shall be responsible for proper maintenance of departmental accounts and financial discipline of district authority, subordinate offices, institutions and is responsible for arranging internal control. Further, according to School Council Policy 2007 as amended 2003 in its edition of 2017 vide clause 4.9 stipulates mode of incurring of financials that school council funds will be utilized on prescribed purposes and during a financial year a school council can incur up to the maximum of four hundred thousand rupees; the approval of the same has been granted vide FD letter No. IT(FD)3-13/2002 dated 07.01.2004 and dated 29.01.2005. Moreover, according to Govt. of Punjab Education Department (School Wing) letter No. SO (SNE)PMU/2010 (P) dated 11.3.2013, the School Council shall be authorized to spend up to a maximum of four (04) lacs in one financial year i.e. July to June as per Notification number IT (FD)3-13/2002 dated 7.01.2004 and 29.1.2005 issued by Punjab Finance Department.

Various School Councils of working under the administrative control of DEO (EE-W) Arifwala of DEA Pakpattan, incurred expenditure beyond their permissible limit of Rs 400,000 which resulted in irregular expenditure of Rs 3.226 million during financial year 2018-19. Irregular expenditure of Rs 3.226 million was made above the permissible limit.

Audit is of the view that due to the weak financial management the school councils have incurred funds beyond their powers.

Incurring of funds beyond permissible limits resulted in irregular expenditure of Rs 3.226 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends strict action against person(s) at fault besides regularization of expenditure under intimation to Audit.

[AIR Para No. 19]

15.2.5.2.11 Excess Payment of Pay and Allowances – Rs 2.909 million

According to Government of Punjab, School Education Department letter No. SO (SE-III) 2-16 / 2007 dated 19.10.2009 pay of the contract employees being appointed in the basic pay scales shall be fixed at the initial of the respective pay scales and the increment(s) already earned during the contract appointment shall be converted into Personal Allowance. Further, according to Finance Department, Government of the Punjab's instruction issued vide various letter regular employees were not entitled to Social Security Benefit.

Dy. DO (EE-W), Pakpattan allowed excess payment on account of pay and allowances of Rs 2.909 million during Financial year 2015-19 Employees whose services had been regularized w.e.f. 07.08.15 or earlier but they were allowed to draw basic pay and Ad Hoc Relief Allowances, 2017 and 2018 in excess of their entitlement and also allowed them to draw undue SSB which resulted in excess payment of Rs 2.909. On regularization of services, their pay was to be fixed on the initial of pay scale and the increments earned were to be transformed to Personal Allowance. Employees were used to withdraw pay in excess of the admissible limit. Increased Basic Pay resulted in excess withdrawal of Adhoc Relief Allowances 2010, 2011, 2012 and 2013 and so on.

Annexure –C/PPN

Audit is of the view that due to weak financial management excess payment of pay & allowance was used to be paid.

Excess payment of Pay and Allowances resulted in loss to Government Rs 2.909 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting

was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of the overpaid amount Rs 2.909 million, discontinuation of excess withdrawal besides fixing of the responsibility under intimation to Audit.

[AIR Para No. 13]

15.2.5.2.12 Irregular withdrawal of conveyance allowance during vacations – Rs 2.886 million

According to Rule 1.15(2) of the Punjab Travelling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time.

Following DDOs of (DEA) Pakpattan allowed withdrawal of Rs 2.886 million on account of conveyance allowance to the teachers during summer, winter vacations leave during 2018-19. Drawl of conveyance allowance during leave period resulted into excess payment of Rs 2.886 million.

(Rupees in million)		
Sr. No.	Name of DDOs	Amount
1	Dy. DEO (EE-W) Pakapattan	1.246
2	Dy. DEO (EE-M) Pakapattan	1.640
Total		2.886

Audit is of the view that due to weak internal controls, conveyance allowance was paid during vacations and LFP.

Irregular payment of conveyance allowance during vacations resulted in excess payment and loss to Government of Rs 2.886 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August, 2019. DDOs did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 2.886 million besides fixing responsibility on the person(s) at fault.

[AIR Para No. 03,21]

15.2.5.2.13 Irregular payment of Pay and Allowances due to non-fixation of Pay –Rs 2.731 million

According to Finance Department's Notification No FD-PR-21-3/2013 dated 23.09.2013, recovery on account of wrong withdrawal of advance increments by school teachers for higher qualification is waived off. However, the pay of teachers will be re-fixed accordingly. Further, according to Finance Department letter No. FD-PR-21-3/2013 dated 17.11.2014 it is clarified that wrong drawl of advance increments is waived of up to 23.09.2013 and the amount drawn on account of advance increments is after this date is recoverable and the withdrawal of advance is related to all school teachers. Hence the deadline for waiving of advance increments is 23.09.2013.

Dy. DEO (EE-M) Arifwala of DEA Pakpattan paid salaries of teachers without re-fixing of salaries of teachers in the light of above mentioned Finance Department directives. Non-fixation of pay and allowances of teachers resulted in irregular payment of Rs 2.731 million on account of advance increments for higher qualification after 23.09.2013.

Audit is of the view that due to weak monitoring controls, the pay of teachers was not fixed in the light of FD directive.

Non-fixation of pay and allowances of teachers resulted in irregular payment of Rs 2.731 million on account of advance increments for higher qualification.

The matter was reported to the CEO District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends re-fixation of salaries of teachers and recovery of overpaid additional increments from concerned.

[AIR Para No.17]

15.2.5.2.14 Irregular withdrawal of pay and allowances by higher scale officers against the lower scale sanctioned posts - Rs 2.411 million

According to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Chief Executive Officer DEA Pakpattan allowed payment of pay & allowance of Rs2.411 million by posting the Headmasters / Headmistress of higher scale against the posts of lower scale Pay & allowance of Rs2.411 million were drawn without existence of Post.

(Rupees in million)

Pers.no.	Name of Employee	Cost Center	Actual Grade of Employee	Post of Sanction Grade	Job Title	Cost Center	Total
30725130	Fateh Muhammad	GHS Dhapai	Grade 18	17	Head Master	PY6128	1.205
30722330	NaveedaArshad		Grade 18	17	Head Mistress	PY6170	1.206
Total							2.411

Audit is of the view that due to poor management, irregular officers of higher scale were posted against the posts of lower scale.

Withdrawal of Pay and allowances without availability of post resulted in irregular expenditure of Rs 2.411 million.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No.11]

15.2.5.2.15 Unjustified withdrawal of pay without date of joining – Rs 2.331 million

According to Punjab District Authority Rules 2017 rule 11 and 11(h) “ The Chief executive Officer shall be responsible for proper maintenance of departmental accounts and financial discipline of district authority, subordinate offices, institutions and is responsible for arranging internal control. Further, according to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the Drawing and Disbursing Officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss. Further, according to Rule 11 (1) (f) of the Punjab District Authorities (Accounts) Rules 2017, The CEO shall be responsible for proper maintenance of departmental accounts and financial discipline of a District Authority, subordinate offices and institutions and shall be responsible for arranging internal controls in a District Authority.

Chief Executive Officer (DEA)/ Pakpattan allowed to draw pay amounting to Rs 2.331 million during 2018-19 for different staff of various DDOs. The withdrawal of pay was unjustified as no date of joining of the employees was mentioned in the HR data. Due to which the actual date of appointment of staff and their pay and allowances could not be assessed by Audit. **Annexure –D/PPN**

Audit is of the view that due to weak management pay & allowances were paid without date of joining.

Payment without date of joining resulted into in unjustified payment of pay and allowance of Rs 2.331million.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends correction of HR data in the payroll or the stoppage of fund, under intimation to Audit.

[AIR Para No. 23]

15.2.5.2.16 Unauthorized payment of inadmissible allowances - Rs 1.148 million

According to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer shall be responsible the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Chief Executive of DEA Pakpattan allowed to pay inadmissible allowances amounting Rs 1.148 million to the employees of different DDOs working under his administrative control. Payment of adhoc relief allowance 2010, adhoc relief allowance 2013, adhoc relief allowance 2014 and adhoc relief allowance 2015 was made while these allowance were abolished.

Audit is of the view that due to weak internal controls undue payment on account of inadmissible allowances was made.

Undue payment on account of inadmissible allowances resulted in loss to the Government amounting Rs 1.148 million.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery amounting Rs 1.148 million from the concerned besides fixing of responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 24]

15.2.5.2.17 Excess payment of pay and allowances due to non-fixation of pay and allowances after regularization– Rs 1.198 million

According Finance Department letter No. FD-PR-21-3/2013 dated 23.09.2013, recovery on account of wrong drawl of advance increments by school teachers for higher qualification is waived off. However the pay of teachers will be re-fixed accordingly.

Various DDOs working under administrative control of CEO DEA, Pakpattan, allowed excess drawl of basic Pay of teachers amounting to Rs 1.198 million. Audit observed that neither pay of these employees was re-fixed on the admissible amount nor was recovery made from them whose services had been regularized w.e.f. 30.03.2019.

Audit is of the view that the due to weak management pay was not re-fixed.

Excess fixation of pay and allowances resulted in excess payment of Rs 1.198 million.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.198 million besides re-fixation of pay accordingly, under intimation to audit.

[AIR Para No.16]

15.2.5.3 Values for Money and Services Delivery Issues

15.2.5.3.1 Non-imposition of penalties on private schools running without registration –Rs 24.174 million

According to law of Punjab private educational institutions (Promotions and regulation) ordinance 2016 promulgated 6th February, 2016 vide section 2(1) the section 3 of Punjab private educational institutions (Promotions and regulation) ordinance 1984 has been amended as under: the owner of every institution shall get it registered from registering authority before starting the business of the institution. Moreover vide clause 6(3) of the ordinance that if any owner in charge / owner of a private institution found running its institution without valid registration the in charge shall be liable to punishment of fine which may extend to four million but which shall not be less than three hundred thousand rupees.

Chief Executive Officer (DEA) Pakpattan neither fined the school which were being run without renewal/registration nor took legal action against non registered schools and expired registration schools which resulted in loss of Rs 24.174 million to District Education Authority during financial year 2018-19.

Audit is of the view that due to defective administrative control over privately managed schools unregistered schools were running business.

Non-renewal / non-registration of private schools resulted in loss to Government amounting Rs 24.174 million.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of amount from concerned besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.01,03]

15.2.5.3.2 Poor performance of School Management Councils due to non utilization of funds-Rs 23.287 million

According to Rule 8 (1)(b) of Punjab District Authorities (Budget) Rules, 2017 the drawing and disbursing officer shall be responsible for incurrence of expenditure strictly against the allocation under the relevant object code and in accordance with the rules.

The Heads of various Elementary and Primary Schools under the jurisdiction of Dy. DEO (EE-W) Arifwala of DEA Pakpattanwere granted NSB grants to meet the needs of students, but funds of Rs 23.287 million remained unutilized in the bank accounts of the schools which depicts either the funds were transferred to schools in excess of their requirement or poor management of Head of schools and weak monitoring of AEOs due to which funds could be utilized for the betterment of students.

Audit is of the view that due to poor monitoring controls, NSB funds allocated to School Councils could not be utilized.

Non utilization of funds by the school councils resulted in blockage of funds amounting Rs 23.287 million.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends corrective measures for utilization of funds besides fixing responsibility on person(s) at fault.

[AIR Para No. 02]

15.2.5.3.3 Non- deduction of liquidated damages -Rs Rs10.116 million

According to clause 39 (a) of contract agreement” The time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. The work shall throughout the stipulated period of the contract be proceeded with all due diligence in accordance with the program of work and the contractor shall pay as compensation an amount equal to one percent of the amount of contract subject to maximum of 10% or such smaller amount as the engineer in-charge (whose decision in writing shall be final) may decide, on the amount of the estimated cost stated in item(b) of the memorandum of work annexed hereto for every day the work remains un-commenced or unfinished after the proper date.

Chief Executive of (DEA) Pakpattan did not deduct the liquidated damages of Rs 10.116 million against the late completion of work during 2018-19. Contractor neither completed the work within stipulated nor applied for time extension before the expiry period of work nor were any site constraints there. Penalty amounting to Rs 10.116 million was required to be impose due to late completion of work. **Annexure –E/PPN**

Audit is of the view that due to weak internal controls, penalty was not imposed despite non-completion of works in time.

Non-imposition of penalty resulted in loss to the Government.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of amount Rs 10.116 million besides fixation of responsibility on person(s) at fault under intimation to Audit.

[AIR Para No.21]

15.2.5.3.4 Irregular expenditure from NSB funds without preparation of Annual Plan –Rs 3.146 million (Value For Service)

According to serial No. 3.4 of NSB Guidelines issued by the Education Department Government of the Punjab, every school is required to prepare school based Action plan (SBAP) at the start of financial year.

Various school councils working under the administrative control of Dy. DEO (EE-M) Arifwala of DEA Pakpattan incurred an expenditure of Rs 3.146 million on account of Non salary expenditure from NSB funds during 2018-19 without preparation of School Based Action Plan. No annual Development Plan of school showing the proposed work to be done along with estimated costs was prepared and got approved from AEO. No monitoring reports of members of School councils was prepared and produced to Audit. The bills were not signed the Co-chairman / Co signatory of School Council. **Annexure –F/PPN**

Audit is of the view that due to weak management, expenditure was made without preparation of annual Audit Plan.

Non compliance of Government instructions resulted in irregular expenditure of Rs 3.146 million

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on person(s) at fault under intimation to Audit.

[AIR Para No. 23]

15.2.5.3.5 Non-refund of unspent balance of non-salary budget from schools handed over to Punjab Education Foundation – Rs 1.880 million (Value for Services)

According to email dated 23.11.2018 of Program Management and Implementation Unit (PMIU) from ID fo1.pmiu@gmail.com at 03:54 PM addressed to CEOs DEAs and DMOs directed CEOs to direct and mobilize all concerned officials and schools to make necessary arrangements for surrender of funds. This email was endorsed by the CEO DEA, Pakpattan vide his office letter No. 6327 / B&A dated 04.12.18 to DEO / Dy. DEO (EE-M/W) Pakpattan / Arifwala. Further, according to Rule 2.33 of PFR Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained to government through fraud or negligence on his part.

Chief Executive Officer (DEA) Pakpattan did not pursue the matter regarding refund of unspent balances amounting Rs 1.880 million available in the School Management Councils' accounts of the schools transferred to PEF despite lapse of more than six (06) months. It is worth mentioning that the schools were handed over to PEF 2 to 3 years back. Audit is of the view that the funds amounting Rs 1.880 million were lying idle despite dire needs of the others schools and were open misappropriation unless taken back by the Department.

Audit is of the view that due to weak internal controls, the unspent balance of NSB and FTF funds were not refunded from PEF Schools.

Non-refund of unspent balance resulted in loss to Government exchequer amounting Rs 1.880 million.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of amount from concerned besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.14]

15.2.5.4 Others

15.2.5.4.1 Un-authorized revised allocation of funds against ‘Nil’ Budget- Rs 53.748 million

According to Rule 5(2) (a) & (b) of the District Authorities Budget Rules 2017, the Head of office is responsible for all matters relating to the budget for the office under his administrative control, ensure strict financial control.

The Chief Executive Officer (DEA) Pakpattan allocated funds Rs 53.748 million to those head of accounts for which there was no budget allocation / appropriation was made in the original budget estimate. Revised allocation was made against NIL budget appropriation during the period 2018-19 in violation of rules. **Annexure –G/PPN**

Audit is of the view that due to weak financial management the budget allocation was made against ‘NIL’ allocations.

Allocation of funds against Nil budget heads resulted in irregular allocation of funds Rs 53.748 million.

The matter was reported to the CEO of District Education Authority in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit would stress for proper justification, regularization from competent authority besides fixing responsibility on the person(s) at fault.

[AIR Para No.26]

15.2.5.4.2 Irregular Expenditure due to approval of defective SMC Committee – Rs 2.133 million

According to letter No.SO (SNE)PMIU/2010 (P), dated 11.03.2013 of Punjab School Education Department, the school council earlier comprising a minimum of seven and maximum of fifteen members will be enhanced to minimum of 9 and maximum of 17 members with the addition in categories of parents members and general member. The total strength of the school council has

to be in odd number. Further, according to Para no 3.1.2, school council shall be consisted on following categories members 1- parent members, 2-Teacher member, General member.3.1.3, parent members will more than 50% of the total members, there will be only one seat of teacher member and other seats will be for general category of members.4.3.1) ii, School councils members will examine the school and will write their opinion, observation, recommendation on the form No.04.

Various school councils under the administrative control of Dy. DEO (EE-M) Arifwala of DEA Pakapttan incurred an irregular expenditure of Rs 2.133 million on account of Purchases & services of different items during 2018-19 from NSB fund. Approval of expenditure was taken from the irrelevant committee which consists of irrelevant members. There was no 50% representation of Parents members. Number of members were not odd, No signature of AEO was available on the notification of SMC. There was no ID cards of the members were available in order to justify their signature. No procedure, voting Record, how the members were selected for the SMC committee was available. No representation of the DO was available on the selection of SMC committee. Unjustified and irregular expenditure of Rs 2.133 were made. **Annexure –H/PPN**

In the absence of irrelevant all the expenditure incurred were irregular and requires the regularization of the expenditure.

Audit is of the view that due to weak management purchases were made from irrelevant SMC committee.

Non compliance of Government instructions resulted into irregular and expensive expenditure.

The matter was reported to the CEO of District Education Authority and DDO concerned in August, 2019. DDO did not submit the reply. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of the amount be made besides fixing responsibility on Person(s) at fault under intimation to Audit.

[AIR Para No. 22]

16. District Education Authority (DEA) Sahiwal

Chapter 1

Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts of District Education Authority Sahiwal on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	7,494.629	7,485.498	(9.131)	-0.12%
Non-salary	109.464	75.973	(33.491)	-30.60%
Development	362.229	98.356	(263.873)	-72.85%
Sub Total	7,966.322	7,659.827	(306.495)	-3.85%

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 98.356 million against an allocation of Rs 362.229 million for development schemes of construction of school buildings, dangerous classrooms, provision of missing facilities and provision of IT labs in high schools and an amount of Rs 263.873 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 306.495 million was lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statements

(Certification Audit 2019-20)

The following issues surfaced during Certification Audit of District Education Authority Sahiwal for the Audit Year 2019-20.

- Non-reporting of Fixed Assets – Rs 357,000
- Difference in closing balance Rs 56,640
- Difference in SAP data and Annual Accounts

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department Punjab. However, these issues have been reported in the audit certificate as emphases of matter.

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Sahiwal was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicator	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Quality indicators LND Test Results	LND	81	86.14	Achieved
Core Indicator	Students attendance (Kachi-12)	91	93.34	Achieved
	Teacher Presence	90	95.43	Achieved
	Head Teacher Presence	45	47.40	Achieved
	Availability of boundary wall	49	45.42	Not Achieved

Indicator	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
	Availability of drinking Water	48	49.66	Achieved
	Availability of Furniture	35	32.63	Not Achieved
	Classrooms observations	40	36.34	Not Achieved
Infrastructure Indicators	Safe Building	98	99.49	Achieved
	NSB Time Lines	50	2.23	Not Achieved
	NSB Utilization	50	42.89	Not Achieved
	Sufficiency of Toilets	69	79.78	Achieved
Retention Indicators	Retention (Kachi-12)	54	38.50	Not Achieved
Monitoring and management Indicators	School Hygiene	80	85.33	Achieved
Hot Line Complaints resolution Indicators	On Time resolution	90	91.30	Achieved

*Source: Data received from CEO (DEA) Sahiwal

iii. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- Record of expenditure amounting to Rs 2.471 million was not produced in 03 cases.
- Recoveries and overpayment amounting to Rs 23.976 million were pointed out in 35 cases.
- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 91.029 million was observed in 15 cases.
- Weak Internal Controls involving amount of Rs 448.633 million was noticed in 16 cases.

- Poor performance of the management having financial impact of Rs 8,621.372 million was found in 27 cases.

iv. Service Delivery Issues

From the Data analysis of DEA Sahiwal following service delivery issues were observed:

- Schools having boundary walls were targeted to be 49%, while it could be achieved at only 45.42%.
- Availability of furniture was targeted at 35%, while it could be achieved only 32.63%, student could not avail classroom furniture despite provision of huge non-salary budget.
- NSB Funds utilization was targeted at 50% but achieved only 42.89%. Delay in utilization of funds caused major hindrance in achievement of targets.
- Funds releasing timeline from CEO (DEA) was targeted 50% but achieved only 2.23%. Delay in release of funds to the end user caused major hindrance in achievement of targets.
- Retention of student target was fixed 54% but achieved only 38.50%.

v. Expectation Analysis and Remedial Measures

District Education Authority:

CEO (DEA) did not achieve its overall targets regarding availability of boundary wall, furniture, NSB in timely releases, retention of students (K-12). The management failed in optimal utilization of NSB funds. Furthermore, targets pertaining to AEOs visits, Students Attendance & Retention (1-5), Dangerous Building, etc. were not fixed. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and

probity in use of development and non-development funds. Moreover, this can be checked by holding those accountable who are responsible for such irregularities at appropriate forums.

- Shortage of teaching staff at different levels should be overcome.
- Efforts should be made for expediting the realization of various Government receipts and overpayments.
- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

16.1.1 Audit Paras

16.1.1.1 Non-reporting of Fixed Assets – Rs 357,000

Risk Categorization: High

Criteria

According to Section 13.4.1.1 of the APPM, the categories of assets shall include land & building, civil works, plant & machinery, vehicles, furniture & fixtures, office equipment and computer equipment. Further according to Section 13.4.5.2 of the *ibid*, all DAOs shall prepare a fixed asset report from the fixed asset account on quarterly basis. Furthermore, according to Section 13.4.5.4 of *ibid*, the AG shall consolidate the above information for including in the annual accounts.

Observations:

District Accounts Officer, Sahiwal made payments amounting to Rs 357,000 (A09-Physical Assets = Rs 357,000), for procurement of assets by the District Education Authority during 2018-19. Contrary to the above referred Section of APPM, the expenditure was not included in statement of Capital Expenditure and asset side of Balance Sheet.

Implications:

Non-reporting of Fixed Assets resulted in violation of above mentioned Principle.

Recommendations:

Audit recommends justification besides reporting of Fixed Assets in Balance Sheet.

Management response:

Fixed asset module has not so far been activated in SAP (R-3).

DAC Decision:

Committee directed the department to submit figure of fixed assets. Para kept pending.

16.1.1.2 Difference in closing balance Rs 56,640

Risk Categorization: High

Criteria:

According to Accountant General Punjab, Lahore closing balances of SBP Karachi and local branches of SBP/ NBP were circulated vide letter No. SBD.Bp & DGP/CB/HM dated 26.09.2019.

Observations:

DAO Sahiwal shown closing balance on 30th June 2019 Rs 269,312,612 whereas, State Bank- of Pakistan Head Office Karachi reported closing balances on 30th June, 2019 Rs 269,255,972 of Account V of District Education Authority Sahiwal. Thus there was difference of Rs 56,640 between DAO figure and SBP Karachi figure.

(Amount in rupees)

Closing balance as per FS on 30.06.2019	Closing balances as per SBP Head office Karachi	Difference
269,312,612	269,255,972	56,640

Implications

- Difference of figures creates doubts about the authenticity of financial statements.
- Weak internal controls on the part of DAO

Recommendations:

Necessary corrections should be made in the books of Accounts.

Management response:

NBP wrongly included two cheques amounting to Rs. 38,640 and 18,000 of DHA Sahiwal on 06.02.2019 into DEA Sahiwal account. This office had timely intimated NBP and got revised bank scroll of the said date but the same was not intimated to SBP by NBP. Therefore, there is no difference in closing balance of NBP and this office.

DAC Decision:

Committee decided that representative of AG Punjab shall clear / reconcile the figures. Para kept pending.

16.1.1.3 Difference in SAP data and Annual Accounts

Risk Categorization: High

Criteria

According to Section 6.5.3.1 of the Accounting Policies and Procedures Manual (APPM), the delegated officer in the Account Section of the DAO/AG/AGPR shall reconcile the daily balances of receipts and expenditures with its own records (Sub Ledger/General Ledger), including the daily balances as reported on the daily bank scrolls.

Observations:

During scrutiny of the Financial Statements and SAP Data pertaining to District Education Authority Sahiwal, following difference in figures was noted.

Head of Account	DEA ACCOUNT –V		
	Amount as per SAP	Amount as per Financial Statement	Difference
	(Rs. in "000")	(Rs. in "000")	(Rs. in "000")
Trust & other public account-Receipts	-14,750,042	-14,809,122	59,080

Implications

The difference in amount may result into under / over statement in booking of receipts/payments.

Recommendations:

Matter regarding difference in figure may be justified.

Management response:

Financial statement is compiled according to the approved mapping by AGP which include figures of trust & other public account receipts, formula of F.S figures calculations is (Total Public Accounts Payment (PAP) / Public Accounts Receipts (PAR)-F01120-G11-G061-G12= F.S Figures) whereas SAP figures consist of (Total Public Accounts Payment (PAP) / Public Accounts Receipts (PAR) - F01120-G11-G061-G12-F021).

DAC Decision:

Committee decided that representative of AG Punjab shall clear / reconcile the figures. Para kept pending.

Chapter 2

DEA Sahiwal

16.2.1 Introduction

District Education Authority, Sahiwal was established on 01.01.2017 under Punjab Local Government Act 2013. DEA Sahiwal is a body corporate having perpetual succession and common seal, with the power to acquire / hold property and enter into contract and may sue and be sued in its name.

The functions of District Education Authority, Sahiwal as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise the primary, elementary, secondary and higher secondary schools, adult literacy and non-formal basic education, special education institutions of the Government in the District;
- implement policies and directions of the Government including achievement of key performance indicators set by the Government for education;
- ensure free and compulsory education for children of the age from five to sixteen years as required under Article 25-A of the Constitution;
- ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education as may be prescribed;
- undertake students' assessment and examinations, ranking of schools on terminal examination results and targets, promotion of co-curricular activities, sports, scouting, girl guide, red crescent, award of scholarships and conduct of science fairs in Government and private schools;
- approve the budget of the Authority and allocate funds to educational institutions;

- plan, execute and monitor all development schemes of educational institutions working under the Authority, provided that the Authority may outsource its development works to other agencies or school councils;
- constitute school management councils which may monitor academic activities;
- plan and finance maintenance of school, support enrolment and retention, arrange donation and finances, plan development and may perform any other role as may be prescribed; and
- perform any other function assigned by the Government, a Commission or a body established by law in the prescribed manner.

DEA Sahiwal manages following educational facilities and institutes:

Description	No. of Education Institutes
Chief Executive Officer (Education)	1
District Education Officers (Secondary)	1
District Education Officers (EE-M)	1
District Education Officers (EE-W)	1
District Education Officers (Literacy)	1
District Education Officers (Special Education)	1
Deputy District Education Officers (EE-M)	2
Deputy District Education Officers (EE-W)	2
Higher Secondary Schools (Boys & Girls)	32
High Schools (Boys & Girls)	192
Special Education Schools / Centers	19
Elementary Schools	277
Primary Schools	657
Mosque / Madrassa Schools	02

*Source: Data received from CEO (DEA) Sahiwal

The following table shows detail of total & audited formations of DEA Sahiwal:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2018-19	Revenue / Receipts audited FY 2018-19
1	Formations	239	05	1,301.719	7.075
2	Assignment Accounts	-	-	-	-

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2018-19	Revenue / Receipts audited FY 2018-19
	(excluding FAP)				
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

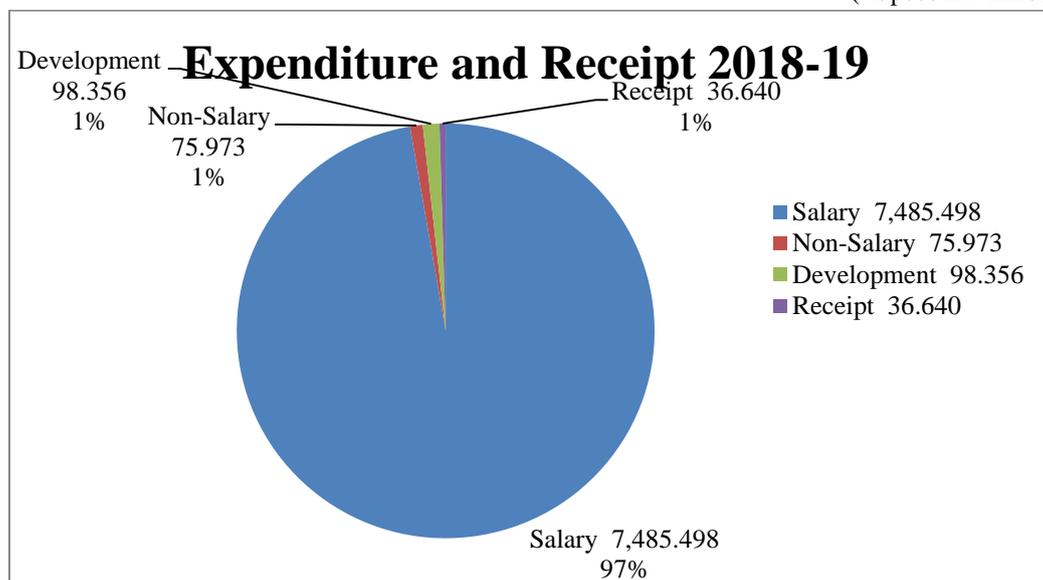
16.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form.

(Rupees in Million)

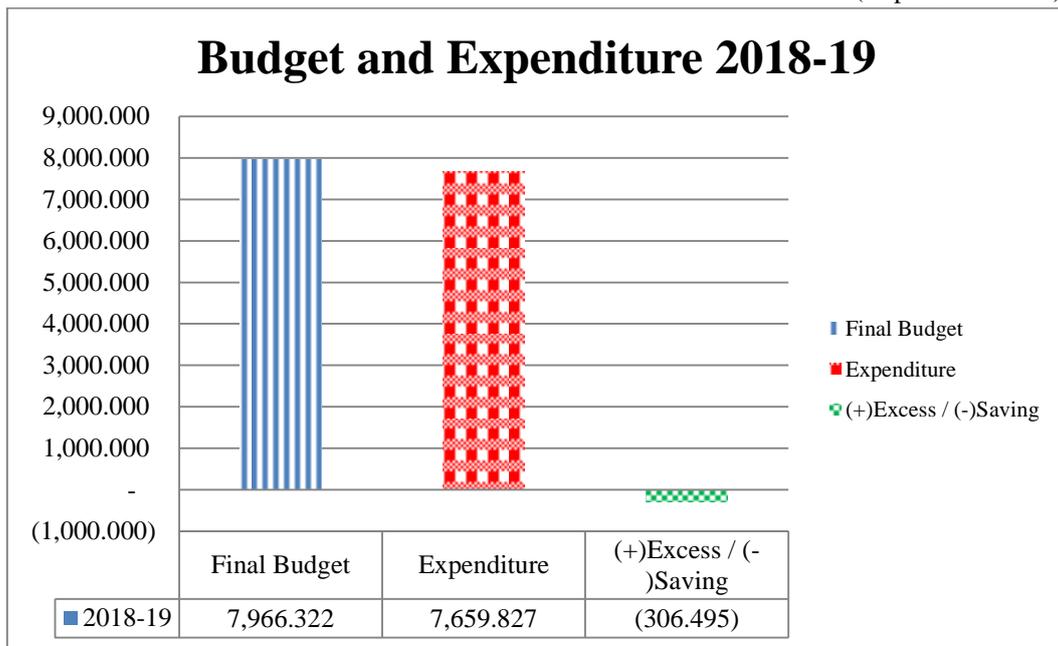
2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	7,494.629	7,485.498	(9.131)	-0.12%
Non-salary	109.464	75.973	(33.491)	-30.60%
Development	362.229	98.356	(263.873)	-72.85%
Sub Total	7,966.322	7,659.827	(306.495)	-3.85%
Receipts	53.882	36.640	(17.242)	-32.00%

(Rupees in Million)



As per the Appropriation Accounts 2018-19 of the District Education Authority Sahiwal, total original budget (Development and Non-Development) was Rs 7,497.543 million, supplementary grant was Rs 468.779 million provided and the final budget was Rs 7,966.322 million. Against the final budget, total expenditure of Rs 7,659.827 million was incurred by the District Education Authority during the financial year 2018-19. A lapse of Rs 306.495 million came to the notice of Audit, which shows that the District Education Authority failed to provide services and infrastructure development. No plausible explanation was provided by PAO and management of the District Education Authority. **(Annexure-B)**

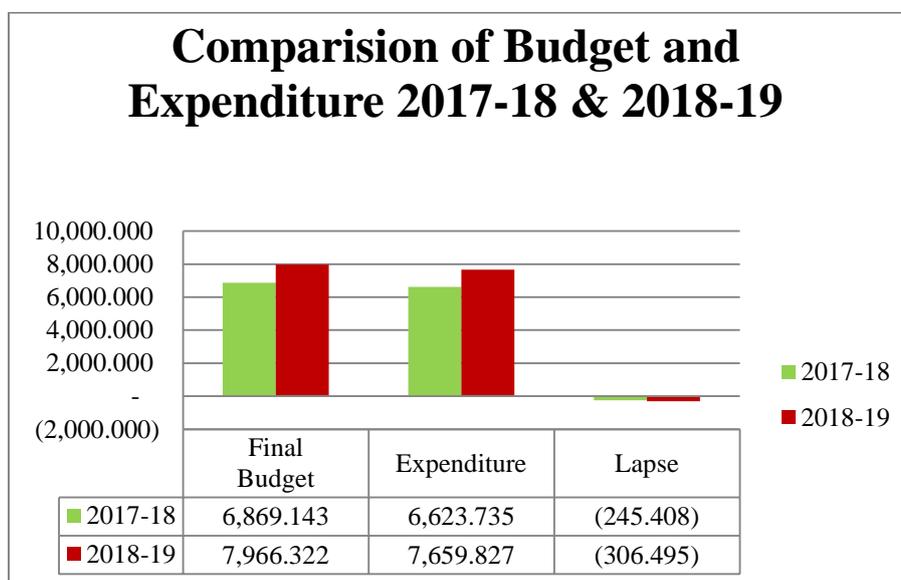
(Rupees in million)



In Education Department savings of Rs 306.495 million (4% of allocation) occurred by over estimating / releasing the budget against the vacant posts because no recruitment against these vacant posts was made during the financial year 2018-19. Further funds of School Management Council (SMC) were not utilized properly despite availability. The same resulted in depriving of

the students / populace from necessary facilities, such as provision of furniture & fixture, laboratory equipment and civil work.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:



There was 16% and 16% increase in budget allocation and expenditure incurred respectively in financial year 2018-19 as compared to financial year 2017-18, while there was overall savings of Rs 306.495 million during 2018-19.

16.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 8,607.563 million were raised as a result of this audit. This amount also includes recoverables of Rs 26.452 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs in million)
1	Non-production of record	2.591
2	Reported cases of fraud, embezzlement and misappropriation	0
3	Irregularities	0

Sr. No.	Classification	Amount (Rs in million)
A	HR / employees related irregularities	8076.418
B	Procurement related irregularities	103.862
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	53.759
5	Others	370.933

16.2.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee.

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2018-19	34	PAC not constituted

16.2.5 AUDIT PARAS

16.2.5.1 Non Production of Record

16.2.5.1.1 Non production/maintenance of record – Rs 2.591million

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts.

The following DDOs of District Education Authority Sahiwal did not produce following auditable record amounting Rs 2.591 million for the financial year 2018-19. Non production of record resulted in concealment of record from audit scrutiny. The detail is as under.

(Rupees in million)

Sr No.	AIR Para No.	Name of Formation	Description	Amount
1	13	CEO (DEA) Sahiwal	Vouched account of salary and contingent expenditure of Madaris	0.902
2	11	Deputy DEO (EE-M) Sahiwal	Vouched account of miscellaneous expenditure incurred by the schools from NSB and salary and contingent expenditure of Jamia Al-Dawah Al-Islami, Shadman Town, Sahiwal Madrassah	1.144
3	08	Deputy DEO (EE-M) Chichawatni	Vouched account of salary and contingent expenditure of Madaris	0.545
Total				2.591

Audit is of the view that due to weak internal controls and willful evasion from audit, record was not produced for audit verification.

Non production of record created doubts regarding legitimacy of expenditure incurred amounting Rs2.591 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not

convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends production of record besides fixing responsibility on the person(s) at fault for non- production of record.

[AIR Para No. 13, 11 & 08]

16.2.5.2 Irregularities

16.2.5.2.1 Late approval of original budget - Rs 7,846.932 million

According to Rule 3 (K) of District Authorities Budget Rules 2017, the Chairman shall ensure that the estimates and revised budget estimates shall be laid before the District Authority well before the commencement of the next Financial Year. Further, according to Rule 4 (C) of District Authorities Budget Rules 2017, the Chief Executive Officer shall ensure that Budget estimates shall be submitted before the District Authority well before the commencement of the next financial year and budget so approved is distributed amongst DDOs by the commencement of the financial year.

Chief Executive Officer (DEA), Sahiwal did not obtain approval of original budget estimates for the financial year 2018-19 amounting Rs 7,846.932 million well before the commencement of next financial year. The original budget was prepared and submitted to Deputy Commissioner /Administrator of Authority on 30.07.2018 after commencement of FY 2018-19. It depicts that pay and allowances for the month of July, 2018 were paid without approval of budget of Authority. The detail is as under:

(Rupees in million)

Financial Year	Date of approval	Description	Amount
2018-19	30.07.2018	Opening Balance as on 01.07.2018	48.147
		Outstanding with Finance Department	811.029
		PFC Share (expected during 2018-19)	6,987.756
		Total available Resources during 2018-19	7,846.932
		Salary	6,888.432
		Non-salary	397.178
		Development	211.934
		Closing Balance @5%	349.388
		Total Expenditure	7,846.932

Audit is of the view that due to weak management, approval of budget was not obtained in time.

Late approval of original budget 2018-19 amounting to Rs 7,846.932 million resulted in irregular payment of pay and allowances for the month of July, 2018.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019 but no reply was submitted. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization from competent authority besides fixing responsibility under intimation to Audit.

[AIR No.14]

16.2.5.2.2 Irregular withdrawal of arrears of pay and allowances without allocation / release of separate budget- Rs 186.111 million

According to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

The following DDOs of District Education Authority Sahiwal paid arrears of pay of Rs 186.111 million to staff during 2018-19. No case of payment of arrears was submitted to CEO for sanction and no separate budget was released for withdrawal of arrears. Huge amount of arrears was drawn without any check and balance.

(Rupees in million)

Sr No.	AIR Para No.	Name of Formation	Subject of Para	Amount
1	5	CEO DEA Sahiwal	Irregular withdrawal of huge amount of arrears without allocation / release of separate budget- Rs 134.922 million	134.922
2	5	Deputy DEO (EE-M)	Irregular withdrawal of huge	17.619

Sr No.	AIR Para No.	Name of Formation	Subject of Para	Amount
		Sahiwal	amount of arrears without allocation / release of separate budget- Rs 17.619 million	
3	4	Deputy DEO (EE-M) Chichawatni	Doubtful payment of pay and allowances through adjustments – Rs 15.954 million	15.954
4	5	Deputy DEO (EE-W) Chichawatni	Irregular withdrawal of huge amount of arrears without allocation / release of separate budget- Rs 17.616 million	17.616
Total				186.111

Audit is of view that due to weak management, unjustified claim of arrear bills were drawn without release of separate budget.

Non observance of rules resulted in irregular withdrawal of huge amount of arrear bills amounting Rs 186.111 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.05, 05, 04 & 05]

16.2.5.2.3 Irregular purchases/expenditures through splitting – Rs 38.678 million

According to Rule 8 and 9 of the Punjab Procurement Rules 2014, a procuring agency shall, within one month from the commencement of a financial year, devise annual planning for all proposed procurements with the object of realistically determining the requirements of the procuring agency, within its available resources, delivery time or completion date and benefits that are likely to accrue to the procuring agency in future. A procuring agency shall announce in

an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned.

Following DDOs of District Education Authority Sahiwal incurred expenditure on different purchases and repair work on NSB grant amounting to Rs38.678 million during 2018-19 without procurement planning. All the items were purchased through splitting the demands in pieces from local market instead of tender inquiry. The purchases were uneconomical in absence of purchase through tender committee. The detail is as under.

(Rupees in million)

Sr No.	AIR Para No.	Name of Formation	Description	Amount
1	19	CEO DEA Sahiwal	Irregular purchase by splitting the indents	0.287
2	15	Deputy DEO (EE-M) Sahiwal	Uneconomical expenditure through Splitting	4.977
3	12	Deputy DEO (EE-W) Sahiwal	Irregular purchases through splitting	1.195
4	10	Deputy DEO (EE-M) Chichawatni	Irregular expenditure by schools through splitting	32.219
Total				38.678

Audit is of the view that due to weak financial controls, purchases were made through splitting of indents

Non observance of Punjab Procurement Rules resulted in irregular purchases amounting Rs 38.678 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends inquiry in the matter, regularization of pay and allowances besides fixing responsibility on the person(s) at fault.

[AIR Para No. 19, 15, 12 & 10]

16.2.5.2.4 Irregular withdrawal of pay and allowances by higher scale employees against the lower scale sanctioned post - Rs 37.052 million

According to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the Drawing and Disbursing Officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Chief Executive Officer (DEA) Sahiwal, did not monitor payment of pay and allowances against sanctioned posts and it was observed that DDOs under his administrative control allowed some school heads to draw pay and allowances of higher pay scale irregularly against sanctioned post of lower scale amounting Rs 37.052 million during 2018-19. Scrutiny of record of District Education Authority revealed that those employees were working and drawing pay and allowances in higher scales while in those cost centers such posts of lower scale existed. This resulted in irregular withdrawal of pay and allowances amounting Rs 37.052 million without existence of post of scale for which pay was drawn.

Annexure –C/SWL

Audit is of the view that due to weak management, pay and allowances were paid irregularly without availability of post of the same scale.

Withdrawal of pay and allowances without availability of post of the same higher scale resulted in irregular expenditure of Rs 37.052 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of the expenditure besides fixing responsibility on the person(s) at fault under intimation to audit.

[AIR Para No. 16]

16.2.5.2.5 Irregular / doubtful expenditure from NSB funds – 33.916 million

According to serial No. 4 NSB Guidelines 2014-15 issued by Government of the Punjab, Education Department, the School Councils will observe the Punjab Procurement Rules while incurring expenditure from NSB funds. The School Council may allow the Head Teacher to draw an amount for petty expenditure which should, in no case exceeded to Rs 5,000. If possible all payment exceeding Rs 10,000 should be made through cross cheques.

The Head of various school councils under the administrative control of Deputy DEO (EE-M) Chichawatni incurred an expenditure of Rs 33.916 million out of NSB funds during 2018-19. Audit observed the following irregularities:

- i. The entire expenditure was incurred by splitting the indents and small bills upto Rs 50,000 were drawn to avoid the tendering process.
- ii. The date of bills of suppliers / traders did not match with the date of cash withdrawal which depicts that purchases were made / repair work was done from local market and later on, bills from registered firms were prepared to complete the codal formalities.
- iii. The bills were not signed by Co-Chairman / members of School Councils. Furthermore, no quality / quantity certificate of purchases made / work done was available on record.
- iv. Most of the schools did not enter the cash withdrawn from bank on receipt side of cash book.
- v. The deduction of Income Tax / Sales Tax was not properly monitored. The Sales Tax deposit proof provided by the firms was not authentic as the invoice No. & Date of bill did not match with the invoice No mentioned. Further, complete Annexure having FBR Bar Code was not produced to audit due to which Sales Tax deposit could not be verified.

Audit is of the view that due to weak monitoring, expenditure from NSB funds was incurred in an irregular manner.

Non observance of rules resulted in irregular expenditure of Rs 33.916 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.15]

16.2.5.2.6 Irregular releases of funds to School Management Councils instead of tendering – Rs 17.836 million

According to term (i) of letter No. SO (ADP-II) 4-16 / 2017 KPSP (Vol-IV) dated 22.11.2017 issued by School Education Department, Government of the Punjab, process may be initiated for furniture procurement as per PC-I from TEVTA at district level fulfilling all legal / codal formalities under PPRA rules. The services of District Purchase / Procurement Committee may be utilized. Further, according to letter No. SO(P) 4-6 / 2017 KPSP (Vol-IV) dated 21.11.2017 issued by School Education Department, Government of the Punjab purchase of furniture for additional classrooms being constructed under Khadim-e-Punjab School Programme (KPSP) Phase-I were required to be made through District Purchase / Procurement Committee comprising of the following members:

- | | | |
|------|--|----------|
| i. | Deputy Commissioner concerned | Chairman |
| ii. | Chief Executive Officer (DEA), concerned | Member |
| iii. | District Monitoring Officer concerned | Member |
| iv. | Any other member co-opted by committee | |

Chief Executive Officer (DEA) Sahiwal released funds amounting Rs 17.836 million to various schools unauthorizdly manner during 2018-19. Scrutiny of the record revealed that said amount was transferred for procurement of furniture from TEVTA for schools under Khadim-e-Punjab School Programme

(KPSP) through tender process at CEO level. But instead of procurement of furniture through joint tender at district level and through District Purchase/Procurement Committee, CEO (DEA) transferred the funds to School Management Councils for procurement of furniture at school level. In this way spirit of release of funds was not complied with through competitive tendering process at district level ensuring economy and standard good quality in acquisition of furniture for all schools.

Audit is of the view that due to financial indiscipline of the department, the funds were transferred to School Management Council for procurement of furniture instead of calling tender.

Transfer of funds to School Management Council for purchase of furniture at school level instead of calling a joint tender at district level resulted in violation of the Government instructions and uneconomical purchase.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of the responsibility, under intimation to Audit.

[AIR No.11]

16.2.5.2.7 Uneconomical expenditure without quotations Rs 8.647 million

According to Rule 59 (b) of the Punjab Procurement Rules, 2014, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees.

The School Council of following DDOs of DEA Sahiwal incurred expenditure amounting to Rs 8.647 million out of school council fund without

quotation process in violation of above rules. The work was executed but no quotations called from market for healthy competition.

(Rupees in million)

Sir No.	AIR Para No.	Name of Formation	Subject of Para	Amount
1	13	Dy. DEO (EE-M) Chichawatni	Uneconomical expenditure without quotations	4.332
2	16	Dy. DEO (EE-W) Chichawatni	Uneconomical expenditure without quotations	4.315
Total				8.647

Audit is of the view that due to weak internal controls, uneconomical expenditure was incurred without competition.

Incurrance of expenditure of Rs 8.647 million without quotation process resulted in uneconomical expenditure.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization besides taking action against person(s) at fault under intimation to Audit.

[AIR Para No. 13 & 16]

16.2.5.2.8 Irregular withdrawal of inadmissible allowances – Rs 3.958 million

According to rule 9 (b) of the Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Following DDOs of District Education Authority Sahiwal made payment of Rs 3.958 million during 2018-19 on account of different inadmissible allowances to different employees. Necessary detail is given below:

(Rupees in million)

Sr. No.	DDO's	Particular	Amount
1	CEO (DEA) Sahiwal	Irregular withdrawal of inadmissible allowances	2.462
2	Deputy DEO (EE-M) Sahiwal	Irregular withdrawal of inadmissible allowances	0.026
3	Deputy DEO (EE-M) Chichawatni	Irregular withdrawal of inadmissible allowances	0.009
4	Deputy DEO (EE-M) Chichawatni	Irregular withdrawal of inadmissible allowances	0.027
5	Deputy DEO (EE-M) Sahiwal	Irregular payment of charge allowance	0.696
6	Deputy DEO (EE-W) Chichawatni	Irregular payment of Charge Allowance	0.039
7	Deputy DEO (EE-W) Sahiwal	Unauthorized payment of integrated allowance	0.061
8	Deputy DEO (EE-W) Chichawatni	Irregular payment of Integrated Allowance	0.036
9	Deputy DEO (EE-W) Sahiwal	Irregular payment of adhoc relief allowance-2016 to teachers	0.017
10	Deputy DEO (EE-M) Chichawatni	Irregular payment of adhoc relief allowance-2016 to teachers	0.127
11	Deputy DEO (EE-W) Chichawatni	Irregular payment of adhoc relief allowance-2016 to teachers	0.076
12	Deputy DEO (EE-M) Sahiwal	Excess payment of personal allowance	0.190
13	Deputy DEO (EE-W) Chichawatni	Excess payment of personal allowance	0.192
Total			3.958

Audit is of the view that due to weak financial controls, allowances were paid without entitlement.

Payment of allowances without entitlement resulted in loss amounting Rs 3.958 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 3.958 million besides fixing responsibility on the person(s) at fault.

[PDPNo. 04, 04, 05, 04, 09, 11, 02, 12, 04, 06, 08, 07 & 09]

16.2.5.2.9 Doubtful purchases without stock entries- Rs 2.448 million

As per rule 15.4(a) and 15.5 of the PFR, Vol-I, all materials received should be examined, counted, measured and weighed, as a case may be, when delivery is taken and they should be kept in charge of a responsible Government servant. The receiving Government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers. When materials are issued a written acknowledgement should be obtained from the person to whom they are ordered to be delivered or dispatched and when materials are issued from stock for departmental use, manufacture or sale, etc., the Government servant in charge of the stores should see that an indent in PFR Form 26 has been made by a properly authorized person.

Deputy District Education Officer (EE-W) Sahiwal withdrew funds of Rs 2.448 million on account of purchase of consumable and permanent storable items during 2018-19. No stock entries of material purchased was made. The items were purchased repeatedly without maintaining stock registers. The purchases without maintenance of stock registers could not be verified.

Audit is of the view that due to weak financial controls, purchases were made without stock entries.

Expenditure without stock entries may result in chances of misappropriation.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends inquiry in the matter, regularization of irregularity besides fixing responsibility on the person(s) at fault.

[AIR Para No. 13]

16.2.5.2.10 Excess withdrawal of pay and allowances due to wrong fixation of basic pay – Rs 2.365 million

According to the regularization order the salary component of these appointees shall be in accordance with the pay scales plus usual allowance prescribed for the post against which they are appointed. The pay on the day of appointment shall be fixed at the initial of the respective pay scale.

Deputy District Education Officer (EE-M) Sahiwal did not ensure proper fixation of pay and allowances of the employees working under his administrative control. Services of employees appointed on contract basis were regularized w.e.f 19.10.2009, 10.09.2011, 07.08.2015 and 19.03.2019. On regularization of services, their pay and allowances were required to be fixed at the initial of the BPS in which they were regularized w.e.f the date of regularization. However, audit observed that they continued to draw pay and allowances without adjustment of basic pay on initial stage in violation of above conditions after regularization. Scrutiny of HR data revealed that a many employees having same scale and date of joining or regularization were drawing different amount of basic pay which revealed that either the basic pay was not properly fixed or overpayment was being made to these employees.
Annexure –D/SWL

Audit is of the view that due to weaknesses in the internal and financial controls excess pay and allowances were being paid to the employees.

Excess payment of pay and allowances resulted in loss to the Government amounting Rs 2.365 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends proper fixation of pay and allowance besides recovery of the over payment if any from the concerned, under intimation to Audit.

[AIR Para No. 08]

16.2.5.2.11 Irregular purchase and excess payment – Rs 2.337 million

Under rule 2.33 of PFR Vol-I every Govt. servant should realize fully and clearly that he will be held personally responsible for any loss sustained to the Government through fraud or negligence on his part.

Head teachers of various Primary and Elementary Schools working under the administrative control of following DDOs of District Education Authority, Sahiwal purchased three seater desk benches without mentioning specifications on the bills and activity / resolution register of schools council. Scrutiny of the record revealed that supply order was not issued to the suppliers which could enable Audit to check the specifications of the three seater desk benches purchased. Rather purchases were made only on verbal communication with the different firms. Specifications for purchase of furniture were not mentioned at any document i.e. activity / resolution register of the school council. Furthermore, Audit observed that specifications were also not mentioned on the bills. Audit compared the rates of three seater desk benches supplied by Bismillah Traders to GES 17/11-L in the same financial year and observed that extraordinary higher rates were paid by the said schools for three seater desk bench which resulted in excess payment of Rs 2.337 million during 2018-19. The details are given below:

(Rupees in million)

Sr. No.	Para No.	DDOs	Description	Amount
1	19	Dy DEO (EE-M) Sahiwal	Loss to Government due to purchase on excessive rate – RS 0.417 million	0.417
2	9	Dy DEO (EE-M) Chichawatni	Loss to Government Due to Purchase on Excessive Rate – RS 1.92 million	1.920
Total				2.337

Audit is a view that due to weaknesses in the financial control systems purchases were made irregularly without mentioning specifications on any document and suspected excess rates were paid amounting Rs 2.337 million.

Purchase of three seater desk benches without mentioning specifications on any document resulted in suspected excess rates amounting Rs 2.337 million and loss to the Government to the stated extent.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends inquiry besides fixing the responsibility against person(s) at fault under intimation to audit.

[AIR No.19 & 09]

16.2.5.3 Value for Money and Service Delivery Issues

16.2.5.3.1 Incurring of excess expenditure from prescribed limit Rs 35.583 million

According to Govt. of Punjab Education Department (School Wing) letter No. SO (SNE)PMU/2010 (P) dated 11.3.2013, the School Council shall be authorized to spend up to a maximum of four (04) lacs from NSB fund in one financial year i.e. July to June as per Notification number IT (FD)3-13/2002 dated 7.01.2004 and 29.1.2005 issued by Punjab Finance Department.

Head Teachers of following mentioned schools under administrative control of Deputy District Education Officer (EE-W) Sahiwal incurred Rs 35.583 million from NSB fund during the financial years as mentioned against each school in excess from prescribed limit. The school council was authorized to incur expenditure up to Rs 4 lac during financial year. The incurring of expenditure in excess from prescribed limit resulted in irregular expenditure. The detail is as under.

(Rupees in million)

Sr. No.	Subject of Para	Name of Formation	Amount
1	Irregular expenditure by schools council over and above the authorized limit of School Management Council	Deputy DEO (EE-M) Sahiwal	20.304
2	Incurring of excess expenditure from prescribed limit	Deputy DEO (EE-W) Sahiwal	7.783
3	Irregular expenditure by schools council over and above the authorized limit of School Management Council	Deputy DEO (EE-M) Chichawatni	7.496
			35.583

Audit is of the view that due to weak financial controls, expenditure was incurred in excess of limit of Rs 4 lac without sanction.

Incurring of expenditure Rs 35.583 million in excess of the prescribed limit resulted in irregular expenditure.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on person(s) at fault.

[AIR Para No. 12, 09 &16]

16.2.5.3.2 Unjustified payment of Social Security Benefits – Rs 13.827 million

According to Para No. 1 of letter dated 1st March-2013 of the Government of The Punjab Service & General Administration Department (Regulations Wing) , The Chief Minister, Punjab, in exercise of the powers conferred upon him by Rule 23 of the Punjab Civil Servants (Appointment and conditions of service) Rules, 1974 is please to order appointment of employees in BS-1 to 15, recruited on contract basis against the post presently held by them in various government departments of the Punjab on regular basis. According to Para No. 05, the salary component of such employees shall be in accordance with the pay scales plus the usual allowances prescribed for the posts against which they are being appointed. They will, however not be entitled to the payment of 30% social security benefit in Lieu of Pension or any other pay package being drawn by them.

Following DDOs of DEA, Sahiwal did not recover excess payment on account of 30% social security benefit of Rs 13.827 million from the teachers whose services were regularized on 1st March-2013 . The detail is given below:

(Rupees in million)

Sr No.	AIR Para No.	Name of Formation	Subject of Para	Amount
1	1	CEO DEA, Sahiwal	Withdrawal of social security benefits after regularization	7.856
2	1	Dy. DEO (EE-M) Sahiwal	Withdrawal of social security benefits after regularization	1.675
3	5	Dy. DEO (EE-W)	Withdrawal of social security benefits despite	2.557

Sr No.	AIR Para No.	Name of Formation	Subject of Para	Amount
		Sahiwal	regularization of employees	
4	2	Dy. DEO (EE-M) Chichawatni	Withdrawal of social security benefits after regularization	0.922
5	1	Dy. DEO (EE-W) Chichawatni	Withdrawal of social security benefits after regularization	0.817
Total				13.827

Audit is of the view that due to weak internal controls, 30% SSB allowance was paid to employees after regularization.

Unjustified payment of SSB allowances resulted in loss to government amounting Rs 13.827 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery from concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No.01, 01, 05, 02 & 01]

16.2.5.3 Irregular withdrawal of conveyance allowance during vacations/leaves – Rs 4.349 million

According to Rule 1.15(2) of the Punjab Travelling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is allowed and will not be admissible during leave or joining time.

Following DDOs of DEA, Sahiwal allowed irregular withdrawal of Rs 4.349 million to various staff during 2018-19 on account of conveyance allowance during winter / summer vacation and leave period. The detail is as under:

(Rupees in million)

Sr No.	AIR Para No.	Name of Formation	Subject of Para	Amount
1	6	Dy. DEO (EE-M) Sahiwal	Unauthorized payment of conveyance allowance to teachers during leave periods	0.228
2	1	Dy. DEO (EE-W) Sahiwal	Irregular withdrawal of conveyance allowance during vacations	3.210
3	1	Dy. DEO (EE-M) Chichawatni	Recovery on account of conveyance allowance	0.283
4	6	Dy. DEO (EE-W) Chichawatni	Unauthorized payment of conveyance allowance to teachers during leave periods	0.628
Total				4.349

Audit is of the view that due to weak internal controls, conveyance allowance was paid during vacations and earned leaves.

Unjustified payment of conveyance allowance during vacations / LFP resulted in loss to Government of Rs 4.349 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 4.349 million besides fixing responsibility on the person(s) at fault.

[AIR Para No. 06, 01, 01 & 06]

16.2.5.4 Others

16.2.5.4.1 Non-reconciliation of budget figures between DEA record and SAP R/3 record – Rs 338.571 million

According to Para 6 (e)(j)(k)(l) of Punjab District Authorities (Budget) Rules, 2017 Budget and Accounts Officer is responsible to communicate grants, through SAP-R/3, to drawing and disbursing officers and institutions of the District Authority; to monitor the receipts and expenditure of the District Authority and institutions through System SAP R/3 and to maintain schedule of establishment of the District Authority, offices and institutions.

Chief Executive Officer (DEA) Sahiwal did not monitor the budget and expenditure of DEA Sahiwal during 2018-19. Audit observed that no proper reconciliation of figures was made as the original budget as well as the revised budget figures as a mismatch was observed by Audit when figures of SAP R/3 system were compared with books of accounts of DEA. Scrutiny of the record revealed a difference of Rs 338.571 million in original budget allocation 2018-19 between figures as per books of accounts maintained by DEA and the SAP R/3 record obtained from DAO Sahiwal. The SAP Data provided by the DAO Sahiwal showed final budget of Rs 7,974.543 million but no final budget of DEA Sahiwal was prepared by the Deputy Director (Budget and Accounts) due to which final budget could not be verified. The detail is as under:

(Rupees in million)

Particulars	As per DD Budget Record	As per SAP System Record	Difference
Original Allocation	7,846.932	7,508.361	338.571
Revised Budget / Final Grant*	Not Provided	7,974.543	-

* The revised budget 2018-19 not finalized by DEA till the date of Audit

Audit is of the view that due to poor budgeting and defective financial management the budget figures were not reconciled with figures of District Accounts Office System SAP R/3.

Non-reconciliation of budget figures creates doubts regarding the fact that books of accounts of DEA Sahiwal present a true and fair view and on the authenticity of incurring expenditure.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends appropriate corrective measures in this regard besides regularization from competent authority under intimation to Audit.

[PDPNo. 15]

16.2.5.4.2 Non utilization of budget due to non-establishment of IT labs for high/ higher secondary and elementary schools - Rs 26 million

According to admin approval of District Development Committee order no. B-18/DD-Dev. (SWL)/2017-18/1059 dated 19.08.2017. Further, according to Finance Department letter No.FD(W&M)21-1/2018-19/DEA/1021 dated 02.01.2019

Chief Executive Officer (DEA), Sahiwal, did not utilize the funds transferred for the purchase of IT equipment's to establish IT Labs in various secondary/higher secondary and elementary schools during 2018-19 which resulted in not only blockage of funds but also deprived the students to get the computer education and violation of the Government instruction.

(Rupees in million)

Description	No of schools	Amount for each school	Total
Establishment of IT Lab in Elementary Schools	20	0.500	10.000
Establishment of IT Lab in High & Higher Schools	10	1.600	16.000
Total			26.000

Audit is of the view that due to weak internal controls and management, funds were not utilized for the purchase of IT equipment's to establish IT Labs in various secondary/ higher secondary and elementary schools.

Non-utilization of funds for the purchase of IT equipment's to establish IT resulted in blockage of funds and deprive off the students to get the computer education as well as violation of the Government instructions.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends inquiry into the matter besides appropriate action against the person(s) at fault.

[AIR Para No. 10]

16.2.5.4.3 Unjustified expenditure on construction /repair of school Buildings from NSB- Rs 4.409 million

According to NSB Guidelines, the School Council will prepare the Development Plan of School as per Annexure-C of Form-6. One Copy of development plan will be sent to concern AEO. All the members of school council will monitor the development work of school and will ensure the quality, timely completion and low cost of project. The school council will incur expenditure on development work according to market rate or less than market rates. Further, on completion of scheme a completion report of scheme will be sent to Dy. DEO.

School Councils of various Elementary and Primary Schools working under administrative control of the following DDOs incurred an expenditure of Rs 4.409 million on account of construction of toilet block, white wash of class rooms, repair of school buildings etc. during 2017-19. Audit held the entire expenditure irregular due to following shortfalls:

- i. No School based development plan identifying the need of school, quantity of material required, estimated cost of development work and completion time was prepared and submitted to AEO by the School Headmaster and Co-Chairman of the School Council.
- ii. The expenditure was done mostly by drawing bills below Rs 50,000 which depicts that expenditure was incurred without getting market rates.
- iii. No estimates of development work were presented before the school council prior to start of work but just the general approval of work to be done was obtained without mentioning the estimated cost of work.
- iv. A huge amount on account of labour charges was paid to contractor / vendors but no detail of labour hired was available on record i.e. Names and numbers of masons and labourers and their CNIC numbers.
- v. Muster rolls of masons and labourers were not maintained and lump-sum payments were made on simple papers.
- vi. No inspection reports depicting monitoring activity of development works by the School Council members were available on record.
- vii. The bills were signed by the Headmaster only instead of all members of School councils.
- viii. Satisfactory completion reports of development works duly signed by the members of School Councils were not available on record.
- ix. Completion certificate of development work were not sent to Dy. DEO (EE-W) Chichawatni in violation of guidelines.
- x. Detail of old material /dismantled material available or auctioned was not available on record.

The details are given below:

(Rupees in million)

Sr. No.	Para No.	DDOs	Description	Amount
1	17	Dy DEO (EE-M) Sahiwal	Unjustified expenditure on construction / repair of school Buildings from NSB- Rs0.589 million	0.589
2	14	Dy DEO (EE-M) Chichawatni	Unjustified expenditure on construction / repair of school Buildings from NSB- Rs 0.155 million	0.155
3	17	Dy DEO (EE-W) Chichawatni	Unjustified expenditure on construction / repair of school Buildings from NSB- Rs 3.665 million	3.665
Total				4.409

Audit is of the view that due to weak administration, expenditure from NSB was incurred in an irregular manner in violation of guidelines issued by the Government for utilization of the NSB.

Non observance of guidelines of the Government resulted in irregular expenditure amounting Rs 4.409 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regulation of the expenditure amounting Rs 4.409 million besides devising a training program and a mechanism for effective monitoring of utilization of NSB by Dy. DEOs and AEOs, in accordance with the guideline issued by the Government under intimation to audit.

[PDP No. 17, 14 & 17]

16.2.5.4.4 Non-imposition / payment of Punjab Sales Tax and income tax on services– Rs 1.953 million

According to Punjab Sales Tax on Services Act 2012 vide section 3 (1) subject to such exclusion as mentioned in Second Schedule, a taxable service is a service listed in Second Schedule, which is provided by a person from his office

or place of business in the Punjab in the course of an economic activity, including the commencement or termination of the activity. Further according to guidelines of the Non-Salary Budget (NSB) Manual, Punjab Sales Tax @ 16% and income tax @ 8% from registered company and @ 10% was to be deducted from Register Dealers / Persons on all kinds of services.

The heads of elementary & primary schools under the administrative control of the following DDOs of DEA Sahiwal did not ensure payment of Punjab Sales Tax of Rs1.472 and income tax Rs 0.481 in Government treasury from various labour suppliers.

(Rupees in million)

Sr. No.	AIR Para No.	Name of Formation	Subject of Para	PST	Income Tax
1	14	Dy. DEO (EE-M) Sahiwal	Non-imposition / payment of Punjab Sales Tax on services	0.223	-
2	14	Dy. DEO (EE-W) Sahiwal	Loss to government due to non deduction of PST and Income Tax Rs 703,318	0.441	0.262
3	12	Dy. DEO (EE-M) Chichawatni	Non-imposition / payment of Punjab Sales Tax and income tax on services	0.342	-
4	14	Dy. DEO (EE-W) Chichawatni	Non-imposition / payment of Punjab Sales Tax and income tax on services	0.466	0.219
Total				1.472	0.481

Audit is of the view that due to weak internal controls, Punjab sale tax was not deducted from supplier and resulted in loss to the Government.

Non recovery of PST and IT resulted in loss to the government Rs1.953 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in August and September, 2019. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends fixation of responsibility besides recovery from the responsible under intimation to audit.

[AIR Para No. 14, 14, 12 & 14]

17. District Education Authority (DEA) Vehari

Chapter 1

Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts of District Education Authority Vehari on annual basis. Following observations surfaced during the audit of financial year 2018-19.

Sectoral Analysis

i. Analysis of Financial Resources

To achieve the targets as assigned to the PAO by the Government of Punjab, financial resources as given below were made available to CEO (DEA) during 2018-19.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	7,831.074	7,182.367	(648.707)	-8%
Non-salary	210.360	134.299	(76.061)	-36%
Development	390.991	384.109	(6.882)	-2%
Sub Total	8,432.425	7,700.775	(731.650)	-9%

(Source: Appropriation Accounts 2018-19)

Development includes an expenditure of Rs 384.109 million against an allocation of Rs 390.991 million for development schemes of construction of school buildings, dangerous classrooms, provision of missing facilities and provision of IT labs in high schools and an amount of Rs 6.882 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 731.650 million was lapsed due to inefficient management.

Analyses of Appropriation Accounts and Financial Statements (Certification Audit 2019-20)

The following issues surfaced during Certification Audit of District Education Authority Vehari for the Audit Year 2019-20.

- Understated Books of Accounts of District Education Authority – Rs 437.095 million
- Unjustified inverse amount of cash & cash balance and receivables – Rs (124.868) million
- Difference between SAP data and Financial Statement of DEA – Rs 55.695 million
- Non Reporting of Fixed Assets – Rs 8.737 million
- Difference in closing balance - Rs 7.550 million

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Finance Department Punjab. However, these issues have been reported in the audit certificate as emphases of matter.

ii. Analysis of Targets and Achievements

Sectoral analysis of DEA Vehari was made on the basis of various quality indicators of Education department for the financial year 2018-19. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of CM Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students & retention, zero tolerance to drop out, improve missing facilities in schools, improvement in level of education through IT and action plans for the district through proper monitoring at each level.

Status regarding Indicators and their achievements

Indicator	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
Quality indicators	LND	82	85	Achieved

Indicator	Sub. Indicator	Target 2018-19 (%)	Achievement 2018-19 (%)	Remarks
LND Test Results				
Core Indicator	Students attendance (Kachi-12)	82	93.48	Achieved
	Teacher Presence	90	96.17	Achieved
	Head Teacher Presence	90	96.33	Achieved
	Availability of boundary wall	98	100	Achieved
	Availability of drinking Water	95	99.71	Achieved
	Availability of Furniture	70	73.59	Achieved
	Classrooms observations	80	94.94	Achieved
Infrastructure Indicators	Safe Building	98	98.17	Achieved
	NSB Time Lines	90	-	-
	NSB Utilization	90	95.11	Achieved
	Sufficiency of Toilets	69.5	78.28	Achieved
Retention Indicators	Retention (Kachi-12)	97	99.50	Achieved
Monitoring and management Indicators	School Hygiene	80	92.62	Achieved
Hot Line Complaints resolution Indicators	On Time resolution	100	87	Achieved

*Source: Data received from CEO (DEA) Vehari

iii. Serious Financial Irregularities and Findings

Following serious irregularities were found during field audit execution during Audit Year 2019-20.

- Record of expenditure amounting to Rs 113.021 million was not produced in 05 cases.
- Recoveries and overpayment amounting to Rs 69.371 million were pointed out in 40 cases.

- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 21.770 million was observed in 05 cases.
- Weak Internal Controls involving amount of Rs 666.203 million was noticed in 18 cases.
- Poor performance of the management having financial impact of Rs 16,234.470 million was found in 32 cases.

iv. Service Delivery Issues

From the Data analysis of DEA Vehari no service delivery issues were observed.

v. Expectation Analysis and Remedial Measures

District Education Authority:

CEO (DEA) did not achieve its overall targets regarding availability of boundary wall, furniture, NSB in timely releases, retention of students (K-12). The management failed in optimal utilization of NSB funds. Furthermore, targets pertaining to AEOs visits, Students Attendance & Retention (1-5), Dangerous Building, etc. were not fixed. The above mentioned facts indicate that administration failed to deliver their best to achieve these targets

Suggestions / Remedial Measures

- Strengthening the regulatory framework, following the rules e.g. PPRA rules for purchasing, adhering to the rules of propriety and probity in use of development and non-development funds. Moreover, this can be checked by holding accountable those who are responsible for such irregularities at appropriate forums.
- Shortage of teaching staff at different levels should be overcome.
- Efforts should be made for expediting the realization of various Government receipts and overpayments.
- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.

17.1.1 Audit Paras

17.1.1.1 Understated Books of Accounts of District Education Authority – Rs 437.095 million

Risk Categorization: High

Criteria

According to Rule 3 (3) (4) of Punjab District Authorities (Accounts) Rules, 2017, all condition grants shall be included in budget and shall be utilized in accordance with the specific conditions. The District Authority may or if requirement by the Government shall maintain a separate bank account for any special purpose and shall be administrated, maintained and regulated as the local fund of District Authority.

Facts

DAO Vehari made payment amounting to Rs 437.095 million to different schools under administrative control of District Education Authority Vehari during 2018-19 as non-salary budget (NSB). The funds were released by Provincial Government from Account-I in SDA of Chief Executive Officer Education Vehari. The salary expenditure of these institutions were booked to District Education Authority Account-V but non salary expenditure was charged to Account-I. The booking of expenditure in two different accounts related to schools under administrative control of District Education Authority was irregular. Further, the expenditure was also misclassified and booked to major head of account of account A05 Grants and Subsidiary instead of relevant object classification. Hence, the accounts of District Education Authority were not presenting true and fair view.

Implications

The booking of non-salary expenditure to Account-I resulted in understated expenditures / Financial Statement of District Education Authority.

Recommendation

Audit recommends proper justification or corrective measures for fair view of accounts of District Education Authority Account-V.

Management Response

DAO stated that payment of NSB was made according to the policy of Punjab Government under Grant PC-21015 Provincial under which funds are released in Account-I and payment is made through SDA crediting to the accounts of School Councils vide No. PESP-NSB.1-7/2018/16746 dated: 11.09.2018. The reply was not acceptable as no documentary evidence was produced.

DAC's Decision

DAC kept the para pending for correction/ compliance.

17.1.1.2 Unjustified inverse amount of cash & cash balance and receivables – Rs (124.868) million

Risk Categorization: Moderate

Criteria

According to Para 2.2.2.9 of APPM, the District Accounts Officers are responsible for the accounting functions.

Facts

During the course of Certification Audit of District Accounts Office Vehari on the accounts of District Education Authority for the year 2018-19, it was observed that as per finance accounts page number mentioned below the figure of receivable / cash was reported contrary to each other which need justification.

(Amount in rupees)

Government	Finance A/C Page No.	Head	Amount (Rs)
District Education Authority	1	F02-Receivable	(124,868,281)
Total			-127,868,281

Implications

Incorrect / incomplete recording of transactions

Incorrect financial reporting

Chances of errors could not be ruled out

Recommendations

Accurate financial reports be generated for use by the stake holders.

Management Response

DAO stated that matter is given in notice of the worthy Controller General of Accounts, Pakistan for rectification of error in SAP programming. The reply was not acceptable as no documentary evidence was produced.

DAC's Decision

DAC kept the para pending for compliance.

17.1.1.3 Difference between SAP data and Financial Statement of DEA – Rs 55.695 million

Risk Categorization: High

Criteria

According to Paras 2.2.2.9 & 6.3.4.2 of APPM, the District Accounts Officers are responsible for the accounting functions of the districts and every DAO shall prepare a monthly reconciliation statement for expenditure and receipts.

Facts

During certification audit of A/C V District Education Authority Vehari, it was observed that there was a difference Rs 55.695 million between figures of financial statements and SAP data during 2018-19. Detail is given below:

(Rupees in million)

DISTRICT	Head of Account	DEA ACCOUNT –V		
		Amount as per SAP	Amount as per Financial Statement	Difference
VEHARI	Trust & other public account-Payment	14,803,338	14,803,121	217
	Special Deposits-Payment	44,796	44,796	0
	State Provident Fund-payment	338,447.77	338,448	0
	Trust & other public account-Receipts	-	-14,766,512	55,478
	Special Deposits-Receipts	-46,282	-46,282	0
	State Provident Fund-Receipts	-338,448	-338,448	0
Total				55,695

Implication

- Incorrect reporting.
- No clear picture of financial position.
- Chances of errors could not be ruled out

Recommendation

Audit recommends appropriate actions to be taken for preparing actual financial position and production of correct data / amount under intimation to Audit.

Management Response

DAO stated that trust account and other public account, special deposit account & state provident fund are prepared in accordance with SOP's of the Worthy Auditor General of Pakistan. So there is no difference between SAP Data and Financial Statement. The reply was not acceptable as no documentary evidence was produced.

DAC's Decision

DAO told the committee that figure of F-1120 are not be included. Committee directed the DAO to submit revised reply and proof. Hence the para was kept pending.

17.1.1.4 Non Reporting of Fixed Assets – Rs 8.737 million

Risk Categorization: High

Criteria

According to Section 2.2.7 of the Financial Reporting Manual a statement of fixed assets should be prepared for each reporting period.

Facts

During certification audit of A/C V it was noticed that District Accounts Officer Vehari neither prepared “Statement of Fixed Assets” for the year 2018-19 nor were the Fixed Assets reported in the Balance Sheet, in violation of section 2.2.7 of the Financial Reporting Manual. Furthermore, expenditure of Rs 8.737 million was booked in the accounts as A09 (Purchase of Assets), but same was not reflected in the balance sheet. Furthermore, assets of health department were more than the amount mentioned above.

Implication

Financial statement did not show proper record.
Valuations of assets could not be maintained.
Chances of errors could not be ruled out.

Recommendation

The detail regarding fixed assets be maintained at appropriate level.

Management Response

DAO stated that a letter vide No. DAO/Veh/Admn/31 Dated 10.10.2019 regarding detail of fixed assets is written to the Chief Executive Officer (District Education Authority), Vehari. The reply was not acceptable as no documentary evidence was produced.

DAC's Decision

DAC kept the para pending and decided to shift the same to department with the direction to take the matter with higher authorities to resolve the matter. Para was kept pending.

17.1.1.5 Difference in closing balance - Rs 7.550 million

Risk Categorization: High

Criteria

According to Accountant General Punjab, Lahore letter No. SBD.Bp & DGP/CB/HM dated 26.09.2019 closing balances of SBP Karachi and local branches of SBP/ NBP were circulated.

Facts

DAO Vehari shown closing balance on 30th June 2019 Rs 46,736,127 whereas, State Bank- of Pakistan Head Office Karachi reported closing balances on 30th June, 2019 Rs 39,185,585 of Account V of District Education Authority Vehari. Thus there was difference of Rs 7.550 million between DAO figure and SBP Karachi figure. DAO Vehari had shown excess balance amounting Rs 7.550 million.

(Amount in rupees)

Closing balance as per FS on 30.06.2019	Closing balances as per SBP Head office Karachi	Difference
46,736,127	39,185,585	7,550,542

Implication

Difference of figures creates doubts about the authenticity of financial statements.

Weak internal controls in the part of DAO

Recommendation

Necessary corrections should be made in the books of Accounts.

Management Response

DAO did not submit any reply.

DAC's Decision

DAC kept the para pending till compliance

Chapter 2

DEA Vehari

17.2.1 Introduction

District Education Authority, Vehari was established on 01.01.2017 under Punjab Local Government Act 2013. DEA Vehari is " body corporate having perpetual succession and common seal, with the power to acquire / hold property and enter into contract and may sue and be sued in its name".

The functions of District Education Authority, Vehari as described in the Punjab Local Government Act, 2013 are as under:

- establish, manage and supervise the primary, elementary, secondary and higher secondary schools, adult literacy and non-formal basic education, special education institutions of the Government in the District;
- implement policies and directions of the Government including achievement of key performance indicators set by the Government for education;
- ensure free and compulsory education for children of the age from five to sixteen years as required under Article 25-A of the Constitution;
- ensure teaching standards, infrastructure standards, student safety and hygiene standards and minimum education standards for quality education as may be prescribed;
- undertake students' assessment and examinations, ranking of schools on terminal examination results and targets, promotion of co-curricular activities, sports, scouting, girl guide, red crescent, award of scholarships and conduct of science fairs in Government and private schools;
- approve the budget of the Authority and allocate funds to educational institutions;

- plan, execute and monitor all development schemes of educational institutions working under the Authority, provided that the Authority may outsource its development works to other agencies or school councils;
- constitute school management councils which may monitor academic activities;
- plan and finance maintenance of school, support enrolment and retention, arrange donation and finances, plan development and may perform any other role as may be prescribed; and
- perform any other function assigned by the Government, a Commission or a body established by law in the prescribed manner.

DEA Vehari manages following educational facilities and institutes:

Description	No. of Education Institutes
Chief Executive Officer (DEA) Vehari	1
District Education Officers (Secondary) Vehari	1
District Education Officers (EE-M)	1
District Education Officers (EE-W)	1
District Education Officers (Literacy) Vehari	1
District Education Officers (Special Education) Vehari	1
Deputy District Education Officers (SE) District Vehari	3
Deputy District Education Officers (EE-M)	3
Deputy District Education Officers (EE-W)	3
Higher Secondary Schools (Boys & Girls) District Vehari	24
High Schools (Boys & Girls) District Vehari	161
Special Education Schools / Centers District Vehari	6
Elementary Schools District Vehari	290
Primary Schools District Vehari	949
Mosque / Madrassa Schools District Vehari	1

*Source: Data received from CEO (DEA) Vehari

The following table shows detail of total & audited formations of DEA Vehari:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2018-19	Revenue / Receipts audited FY 2018-19
1	Formations	199	05	475.147	5.289
2	Assignment Accounts	-	-	-	-

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2018-19	Revenue / Receipts audited FY 2018-19
	(excluding FAP)				
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

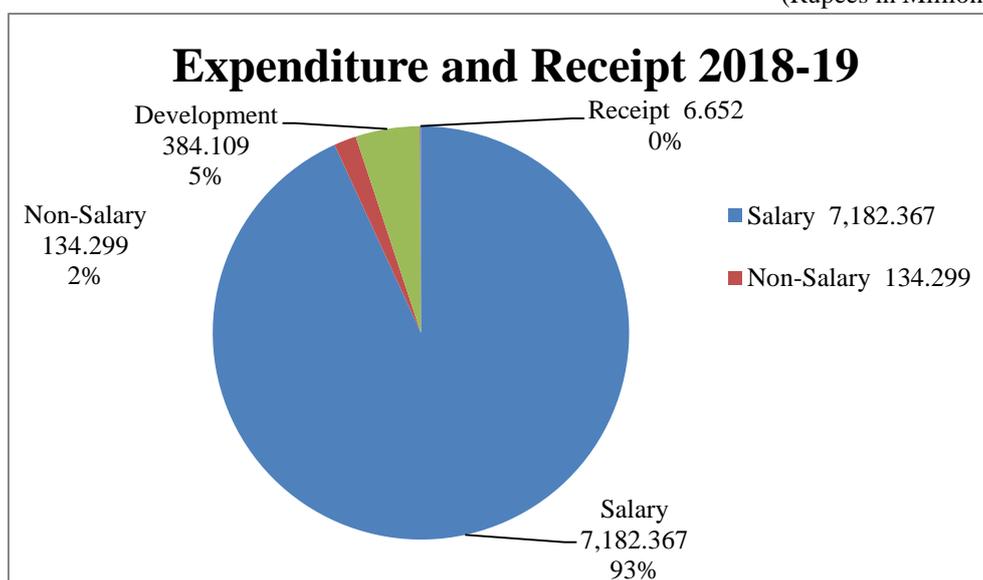
17.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form

(Rupees in million)

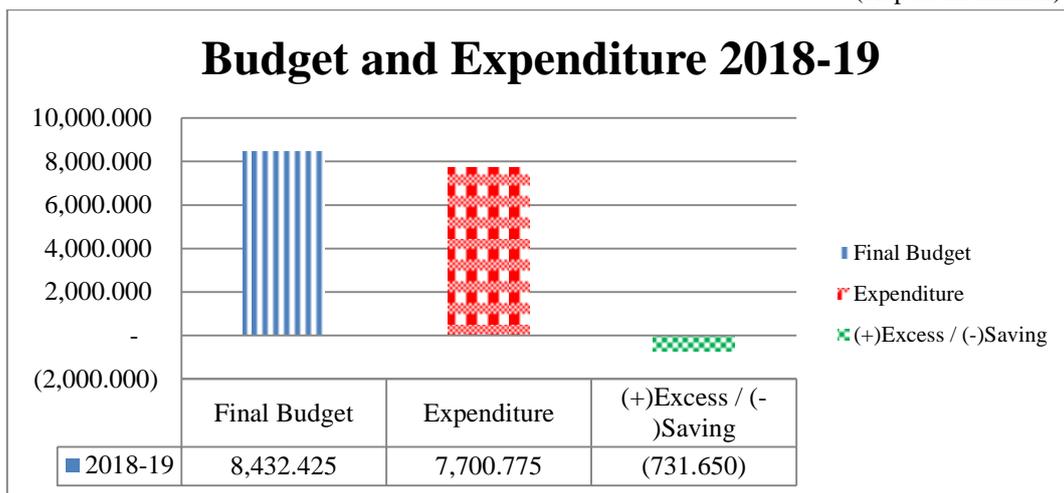
2018-19	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	7,831.074	7,182.367	(648.707)	-8%
Non-salary	210.360	134.299	(76.061)	-36%
Development	390.991	384.109	(6.882)	-2%
Sub Total	8,432.425	7,700.775	(731.650)	-9%
Receipts	9.239	6.652	(2.587)	-28%

(Rupees in Million)



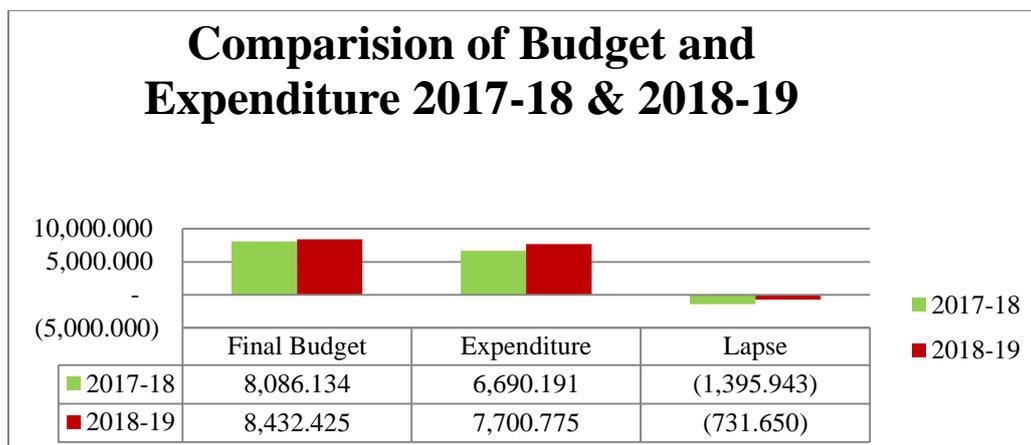
As per the Appropriation Accounts 2018-19 of the District Education Authority Vehari, total original budget (Development and Non-Development) was Rs 8,199.803 million, supplementary grant was Rs 232.622 million provided and the final budget was Rs 8,432.425 million. Against the final budget, total expenditure of Rs 7,700.775 million was incurred by the District Education Authority during the financial year 2018-19. A lapse of Rs 731.650 million came to the notice of Audit, which shows that the District Education Authority failed to provide services and infrastructure development. No plausible explanation was provided by PAO and management of the District Education Authority (**Annexure-B**)

(Rupees in million)



In Education Department savings of Rs 731.650 million (9% of allocation) occurred by over estimating / releasing the budget against the vacant posts because no recruitment against these vacant posts was made during the financial year 2018-19. Further funds of School Management Council (SMC) were not utilized properly despite availability. The same resulted in depriving of the students / populace from necessary facilities, such as provision of furniture & fixture, laboratory equipment and civil work.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:



There was 4% and 15% increase in budget allocation and expenditure incurred respectively during 2018-19 as compared to 2017-18, while there was overall savings of Rs 731.650 million during 2018-19.

17.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 8,727.202 million were raised as a result of this audit. This amount also includes recoverables of Rs 56.915 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs in million)
1	Non-production of record	114.837
2	Reported cases of fraud, embezzlement and misappropriation	0
3	Irregularities	0
A	HR / employees related irregularities	67.615
B	Procurement related irregularities	50.395
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	36.300
5	Others	8,436.753

17.2.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee.

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2018-19	23	PAC not constituted

17.2.5 AUDIT PARAS

17.2.5.1 Non-Production of Record

17.2.5.1.1 Non production of record – Rs114.837million

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “The Auditor General shall, in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts”.

The Chief Executive Officer (DEA), Vehari and following DDOs under the jurisdiction of Chief Executive Officer, DEA, Vehari did not produce auditable record of expenditure of various schools from NSB funds and development schemes amounting to Rs 114.837 million during 2018-19. The CEO DEA did not produce the important record of development expenditures like administrative approval, technical sanction of estimate, tendering process, work order, agreement, measurement books etc. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Description of record not provided	Amount
1	CEO (DEA), Vehari	Record relating to development schemes	108.326
		Record relating to price variation	3.303
2	Dy. DEO (EE-W) Vehari	Record of schools pertaining to expenditure from NSB funds	1.366
3	Dy. DEO (EE-M) Mailsi	Record of schools pertaining to expenditure from NSB funds	1.842
Total			114.837

Audit is of the view that due to weak management the record was not produced.

Non production of record created doubts about the legitimacy of expenditure incurred and resulted in an attempt to cause hindrance in the auditorial functions of the Auditor General of Pakistan.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends production of record besides fixing responsibility on the person(s) at fault for non- production of record.

[AIR Para No. 16, 22, 14 &16]

17.2.5.2 Irregularities

17.2.5.2.1 Unauthorized withdrawal of inspection allowance by the AEOs – Rs 20.008 million

According to Government of the Punjab School Education Department and Finance Department order No U.O No FD/SR-I/9-3322016 dated January 15, 2018 Inspection allowance @ 25,000 P.M is allowed to AEOs working in School Education Department subject to verifiable key performance indicator developed by SED. Further, according to School Education Department Notification No SO(ADP)Misc-409/2012 dated 29.08.2012 “the SOPs of Inspection allowance are as under.

- Inspection allowance shall be payable on the basis of inspections of the schools in a month.
- In case of less than 100% school inspection, it shall be claim @ 100 per school.
- Inspection allowance shall be admissible during vacation subject to prior approval of competent authority.
- Inspection report prepared by AEOs shall be submitted to Deputy AEOs concerned along with follow up report of previous month inspection.
- Inspection allowance shall be payable after verified Inspection report of immediate controlling officer of AEOs concerned.

Following DDOs of CEO (DEA) Vehari made payment of inspection allowance amounting Rs 20.008 million during 2018-19 without fulfilment of verifiable performance indicators. No record was available in the office of CEO for any verification of key performance indicators. Further, the payment of inspection allowance was also made with regular pay roll in violation of the above direction. The detail is as under:

(Rupees in million)

Sr. No.	DDO's	Amount
1	CEO DEA, Vehari	18.558
2	Dy. District Education Officer (E.E.W), Vehari	1.450
Total		20.008

Audit is of the view that due to weak internal controls, the inspection allowance was paid without fulfillment of requirement through pay roll.

Violation of the Government instructions resulted in unauthorized payments amounting Rs 20.008 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification or recovery of Rs 20.008 million under intimation to Audit.

[AIR Para No.12, 8]

17.2.5.2.2 Unauthorized expenditure by School Councils beyond limit – Rs 19.380 million

According to School Council Policy 2007 as amended 2003 in its edition of 2017 vide clause 4.9 stipulates mode of incurring of financials that school council funds will be utilized on prescribed purposes and during a financial year a school council can incur up to the maximum of four hundred thousand rupees; the approval of the same has been granted vide FD letter No. IT(FD)3-13/2002 dated 07.01.2004 and dated 29.01.2005. Moreover, according to Govt. of Punjab Education Department (School Wing) letter No. SO (SNE)PMU/2010 (P) dated 11.3.2013, the School Council shall be authorized to spend up to a maximum of four (04) lacs in one financial year i.e. July to June as per Notification number IT (FD)3-13/2002 dated 7.01.2004 and 29.1.2005 issued by Punjab Finance Department.

Following DDOs of Chief Executive Officer, DEA, Vehari did not properly monitor the incurring of NSB funds by school councils because various school

councils have incurred 19.380 million during 2018-19 beyond the permissible limit of Rs 400,000. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Deputy DEO (EE-W) Vehari	14.487
2	Deputy DEO (EE-W) Burewala	4.893
Total		19.380

Due to weak financial management the school councils have incurred funds beyond their powers.

Incurring of funds beyond permissible limits resulted in irregular expenditure of Rs 19.380 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends strict action against person(s) at fault besides regularization of expenditure under intimation to Audit.

[AIR Para No. 17&15]

17.2.5.2.3 Irregular expenditure on development schemes without approved design and specifications – Rs 16.415 million

According to Section 4.4.7 of the School Council Policy, 2007 read with Para 3.4.7 of Guidelines for Utilization of Non-Salary Budget (NSB) in Primary and Elementary Schools, development works shall be got executed according to the Government approved design and specifications. Furthermore, according to NSB Guidelines the School council will prepare the Development Plan of School as per Annexure-C of Form-6. One Copy of development plan will be sent to concern AEO. All the members of school council will monitor the development work of school and will ensure the quality, timely completion and low cost of project. The school council will incur expenditure on development work according to market rate or less than market rates. On completion of scheme a

completion report of scheme will be sent to Dy. DEO. Moreover, according to Rule 12 of the Punjab Procurement Rules, 2014 procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website / print media.

Following DDOs of Chief Executive Officer, DEA Vehari incurred expenditure of Rs 16.415 million on construction of boundary wall, toilets, water tanki, floor, ECE room during 2018-19 from NSB funds, without approved design and specification. The work was executed locally as the same was required to be done through building department as a deposit work. No prior estimate was got prepared from building department. The detail is as under:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Deputy District Education Officer (EE-M), Vehari	2.816
2	Deputy District Education Officer (EE-M), Mailsi	5.728
3	Deputy District Education Officer (EE-W), Vehari	7.871
Total		16.415

Following irregularities were noticed during the audit:

- i. No estimates of construction work / repair work of building were presented before the school council prior to start of work but just the general approval of work to be done, was obtained without mentioning the estimated cost of scheme.
- ii. After completion, work was not verified by the school council or any other technical expert / representative of Government.
- iii. No bills were prepared as per location of scheme.
- iv. No detail of old material /dismantled material was available on record.
- v. Against the repair work of more than Rs 100,000, no advertisement was made in PPRA's website. The expenditure was done mostly by drawing bills amounting to Rs 10,000 to 50,000 which depicts that expenditure was incurred without getting market rates. Bricks were purchased by schools on different rates from 4,500 to 7,500.

- vi. Labour of repair work was not paid through muster roll. Labour was also paid through the invoice of General order supplier which was quite irregular.
- vii. Irregular lump sum repair bills were made.
- viii. Cost of repair work was very high and self-desired rates were applied.
- ix. Building material was exempted from GST but the mostly schools paid the GST.

Audit is of the view that due to weak internal controls, irregular expenditure was incurred.

Irregular expenditure resulted in violation of government instructions.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure beside action against the concerned.

[AIR Para No. 11, 9 &18]

17.2.5.2.4 Irregular payment of pay and allowances through adjustments –Rs 15.419 million

According to Rule 9 (b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss. Further, according to Rule 2.27 of PFR Vol-1 states that “No payment is admissible until additional budget for the payment of arrears of pay and allowances are provided and duly sanctioned in the Budget estimates”

Deputy District Education Officer (EE-W) Vehari paid arrears of salaries to different staff of education department amounting to Rs 15.419 million through adjustments during 2018-19. No record was produced for justification of such payments like entitlement of employees, budget allocation and sanction of the authority.

Audit is of the view that due to weak internal controls, payment of pay and allowances was made without maintenance of record of adjustments.

Non-maintenance of record of adjustments resulted in doubtful expenditure amounting to Rs 15.419 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends submission of proper justification along with relevant record of adjustments.

[AIR Para No. 9]

17.2.5.2.5 Irregular expenditure on purchase of various items by splitting up the indents-Rs 14.600 million

According to Chapter II Rules 8 of Punjab Procurement Rules 2014, a procuring agency shall, within one month of commencement of a financial year, devise planning for all proposed procurements. Rules 9 of ibid states that a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without splitting or regrouping of procurements so planned.

Following DDOs of DEA, Vehari incurred expenditure of Rs 14.600 million on account of purchase of various items without making advertisement on PPRA's website/newspapers and even without obtaining quotations from suppliers during

2018-19. All these items were purchased in same period by the all schools through preparation of bills of small amounts. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Items	Amount
1	Dy. District Education Officer (E.E-W), Vehari	Purchase of furniture	4.142
2	Dy. District Education Officer (E.E-W), Burewala	Different purchases and repair works	2.089
3	Dy. DEO (EE-M) Mailsi	purchase of furniture (desk, chairs, tables, etc.) and construction of building	6.289
4	Dy. DEO (EE-M) Vehari	purchase of furniture (desk, chairs, tables, etc.) and construction of building	2.080
Total			14.600

Audit is of the view that due to weak management, no advertisement was floated on PPRA's website and in the newspapers.

Non-compliance of the Government instructions resulted in irregular expenditure of Rs 14.600 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority, besides fixing responsibility on the person(s) at fault.

[AIR Para No. 15, 1, 15 & 11, 16]

17.2.5.2.6 Irregular withdrawal of conveyance allowance during vacations and leave – Rs 9.100 million

According to Rule 1.15(2) of the Punjab Travelling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time.

Following DDOs of DEA, Vehari allowed payment of Rs 9.100 million to various staff during 2018-19 on account of conveyance allowance during winter / summer vacation and leave period. The detail is as under:

(Rupees in million)

Sr. No.	DDO's	Detail	Amount
1	Dy. District Education Officer (E.E.W), Vehari	Winter leaves, summer leaves and earned leaves	2.994
2	Chief Executive Officer, DEA Khanewal	Winter leaves, summer leaves and earned leaves	4.112
3	Dy. District Education Officer (E.E.M), Vehari	Conveyance allowance during winter vacations and summer leaves	0.775
4	Dy. District Education Officer (E.E.W), Burewala	conveyance allowance during winter vacations	0.323
5	Dy. District Education Officer (E.E.M), Mailsi	conveyance allowance during winter vacations	0.896
Total			9.100

Audit is of the view that due to weak internal controls, conveyance allowance was paid during winter and summer vacations which was not due.

Payment of conveyance allowance during winter and summer vacations resulted in undue payments and loss to the Government of Rs 9.100 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of conveyance allowance amounting to Rs 9.100 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No.1, 6, 3, 10, 4, 8 & 3]

17.2.5.2.7 Irregular withdrawal of arrears of pay & allowances without allocation & availability of vouched account - Rs 7.030 million

According to Para No. 2.10 of P.F.R Volume-I, every government servant is responsible for any loss sustained to government due to his negligence or fraud.

Deputy District Education Officer (EE-W) Burewala and Deputy District Education Officer (EE-M) Vehari made payment of arrears of pay and allowances of Rs 7.030 million during 2018-19. Audit noticed that no case regarding pending salary was put up and no separate budget was released for drawl of pending payments. Neither budget was released nor approval of the case made by the CEO office. No vouched vouchers regarding payment of arrear were available in the office. Huge amount of arrears were drawn without any check and balance.

(Rupees in million)

Sr. No	DDOs	Amount
1	Deputy District Education Officer (EE-W), Burewala	3.859
2	Deputy District Education Officer (EE-M), Vehari	3.171
Total		7.030

Audit is of view that due to weak management unjustified excess fake claim of arrear bills were drawn without release of separate budget.

Drawl of budget amount of arrear bills may result into fake / excess claims of arrear bills and fraudulent drawl of Rs 7.030 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry at appropriate level and fixing of responsibility against concerned, under intimation to Audit.

[AIR Para No. 9,9]

17.2.5.2.8 Irregular payment of qualification pay - Rs 6.910 million

According to Para 3 & 4 of sanction order issued by District Training & Support Center, Vehari, "M. Phil allowance will not be admissible to those who have acquired M.Phil during study leave and M. Phil allowance will be admissible only to those who acquired M. Phil during extra ordinary leaves of 02 years. Furthermore, According to Para No.2.31 (a) of Punjab Financial Rules Vol-I, a drawer of bill of pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

Deputy District Education Officer (EE-M), Mailsi and Vehari made payment on account of qualification pay to the following teachers amounting to Rs 6.910 million during the year 2018-19. Payment was doubtful as no record provided i.e. personal files / service books, sanction letters etc. to verify its authenticity and accuracy of observing the condition and governments instructions while sanctioning the qualification allowance. The detail is as under:

(Rupees in million)		
Sr. No	DDOs	Amount
1	Deputy District Education Officer (EE-M), Mailsi	5.136
2	Deputy District Education Officer (EE-M), Vehari	1.774
Total		6.910

Audit is of the view that due to weak internal controls, irregular qualification allowance was paid.

Irregular payment of qualification allowances amounting to Rs 6.910 million may resulted in loss to the Government.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of qualification allowances, under intimation to Audit.

[AIR Para No.12 & 14]

17.2.5.2.9 Unauthorized payment of social security benefits – Rs 5.146 million

According to Orders No.4343/Admn-II dated 29.06.2016, No.5047/Admn-II dated 12.08.2016, No.5048/Admn-IV dated 12.08.2016, No.7998/Admn-II dated 15.12.2016 and No.4344/Admn-IV dated 29.06.2016 of District Education Officer (EE-W) Khanewal Educators were regularized w.e.f 07.08.2015. The said educators were entitled to the payment of 30% social security benefit in Lieu of Pension or any other pay package being drawn by them during contract period.

Following DDOs of Chief Executive Officer, DEA, Vehari did not recover excess paid social security benefit of Rs 5.146 million from the teachers whose services were regularized during 2018-19. The detail is given below:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	CEO DEA Vehari	1.117
2	Dy. District Education Officer (E.E-W), Vehari	0.842
3	Deputy District Officer (EE-M) Vehari	2.712
4	Deputy District Officer (EE-M) Mailsi	0.475
Total		5.146

Audit is of the view that due to weak financial management, excess payment was made on account of SSB.

Non compliance of the Government instructions resulted in overpayment and loss to Government amounting to Rs 5.146 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 5.146 million, besides fixing responsibility on the person(s) at fault.

[AIR Para No. 7,6&11, 6 &2]

17.2.5.2.10 Excess payment on account of charge allowance-Rs 2.683 million

According to Finance Department's Notification No FD-PR-10-71/72 dated 18/06/1973 charge allowance to the senior most primary school teacher is admissible only if there are at least five teachers and at least one hundred fifty (150) students. According to government of Punjab school education department notification No. SO(SE-III) 2-16/2007 charge allowance is allowed to head teacher as detail below:

Sr. No	Designation	Amount
1	Head Teacher Primary	500
2	Head Teacher Elementary	700
3	Head Teacher Secondary	1,200
4	Principal	1,500

Following DDOs of DEA, Vehari allowed withdrawal of Rs 2.683 million to various staff during 2018-19 on account of charge allowance to different teachers despite the teachers were not having the charge of relevant schools or does not fulfill the required criteria. Furthermore, directly recruited Assistant Education Officers were allowed irregularly to draw charge allowance, which was admissible to only those teachers who were working against administrative posts (i.e. AEO). The Detail is given below:

(Rupees in million)

Sr. No.	DDO's	Amount
1	Dy. District Education Officer (E.E.M), Vehari	0.047
2	Dy. District Education Officer (E.E.W), Vehari	1.425
3	Dy. District Education Officer (E.E.M), Mailsi	1.211
Total		2.683

Audit is of the view that due to weak internal controls, charge allowance was not deducted from the pay and allowances of teachers not having the charge of school.

Excess payment of charge allowance Rs 2.683 resulted in loss to the Government.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of excess paid allowance, under intimation to Audit.

[AIR Para No.4, 6 &6]

17.2.5.2.11 Excess payment of pay and allowances - Rs 1.319 million

According to Rule 2.31 of the PFR Vol-I a drawer of bill for pay, allowances, contingent and other expenses will be held responsible to any over charge fraud and misappropriation.

During the audit of CEO DEA Vehari it was observed that following DDOs made excess payment of Rs 1.319 million during 2018-19 to the different employees despite the concerned was taken premature retired / qualifying retirement from service / death. The payment of pay and allowances after retirement was quite unjustified and need recovery from the concerned.

Annexure –C/VHR

Audit is of the view that due to weak internal controls, excess payment was made on account of pay and allowances.

Excess payment of pay and allowances resulted in loss amounting Rs 1.319 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification or recovery of Rs 1.319 million from concerned under intimation to Audit.

[AIR Para No. 9]

17.2.5.3 Value for Money and Service Delivery Issues

17.2.5.3.1 Non-verification of deposit of sales tax on purchases – Rs. 33.015 million

According to Notification No D.O No.5 (21) L&P/97-4910(S)-FS Sales Tax return cum payment challan along with supporting documents required (S.R) under the provision of sales Tax Act, 1990 in proof of payment / deposit of Sales Tax into Government treasury are required to be received from the supplier.

Following schools working under administrative control of Deputy DEO (EE-W) Vehari made purchases during financial year 2018-19 and sales tax amounting to Rs 33.015 million was paid to the vendors / suppliers. But neither 1/5th of sales tax was deducted at source in some case nor was verification / proof regarding deposit of the sales tax into government treasury obtained from the supplier / vendor. There were apprehensions of misappropriation of tax to a huge extent. Detail is as under:

(Rupees in million)

Sr. No	DDOs	Detail	Amount
1	Deputy DEO (EE-W) Vehari	Non deduction of 1/5 th of sales tax	22.180
2	Deputy District Education Officer (EE-M), Vehari	Non obtaining of proof of sales tax from supplier	3.877
3	Dy. District Education Officer (EE-W) Burewala	Tempering in sales tax invoices	1.167
4	Deputy District Education Officer (EE-M), Mailsi	Non obtaining of proof of sales tax from supplier	5.791
Total			33.015

Non verification regarding deposit of the sales tax into government treasury was due to weak internal control on the part of the executive.

Non verification of sales tax may result in loss to public exchequer.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends that verification regarding deposit of the same to government treasury may be made immediately besides fixing of responsibility on the concerned to deter recurrence.

[AIR Para No.21, 13, 3 &11]

17.2.5.3.2 Overpayment of GST on exempted store items – Rs 3.285 million

According to government of the Punjab Finance Department letter No. S.O Tax 1-19/97 dated 04-08-2007, department had to recover 1/5 of total sale tax. Remaining amount should be deposited by the suppliers and proof should be produced to audit.

Following DDOs of Chief Executive Officer, DEA Vehari incurred expenditure of Rs 3.285 million on account of purchase of such store items which were exempted from sales tax i-e paints, enamel etc during year 2018-19. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Deputy District Education Officer (EE-M), Vehari	1.224
2	Deputy District Education Officer (EE-W), Burewala	0.809
3	Deputy District Education Officer (EE-M), Mailsi	1.252
Total		3.285

Audit is of the view that due to weak financial controls, GST was paid for exempted store and at the same time store was purchase without payment of GST.

Payment of GST of exempted store and purchase of store without payment of GST resulted in loss to the Government.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of GST from the concerned besides action against the person(s) responsible under intimation to Audit.

[AIR Para No. 8, 2 &7]

17.2.5.4 Others

17.2.5.4.1 Irregular late approval of annual budget - Rs 7,632.464 million

According to Rule 3 (K) of District Authorities Budget Rules 2017, the Chairman shall ensure that the estimates and revised budget estimates shall be laid before the District Authority well before the commencement of the next Financial Year. Further, according to Rule 4 (C) of District Authorities Budget Rules 2017, the Chief Executive Officer shall ensure that Budget estimates shall be submitted before the District Authority well before the commencement of the next Financial Year and budget so approved is distributed amongst DDOs by the commencement of the financial year.

Chief Executive Officer District, Education Authority Vehari did not take approval of annual budget estimates for the Financial Year 2018-19 amounting Rs 7,632.464 million well before the commencement of next financial year. The budget was prepared and submitted to Deputy Commissioner /Administrator of Authority on 20.07.2018 after commencement of financial year. The detail is as under:

(Rupees in million)

Financial Year	Date of submission to Chairman / DC	Nature	Description	Amount
2018-19	20.07.18	Original estimate	Current expenditure	7,394.273
			Development expenditure	238.191
Total				7,632.464

Audit is of view that due to weak management, draft of budget was not approved well on time.

Late approval of annual budget 2018-19 amounting Rs 7,632.464 million resulted in violation of rules.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not

convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of irregularity from competent authority under intimation to Audit.

[AIR Para No.1]

17.2.5.4.2 Withdrawal of NSB funds from treasury without pre-audit – Rs 598.388 million

According to Para No.5 (b) of Controller General of Accounts (Appointment, Functions and Powers) Ordinance 2001, the function of the Controller General shall be to authorize payments and withdrawals from the Consolidated Fund and Public Accounts of the Federal and Provincial Governments against approved budgetary provisions after pre-audited checks as the Auditor-General may, from time to time, prescribe. Further, according to Government of the Punjab Finance Department letter No.SO (TT) 6-1/2013 (2015) dated 15.07.2015, no withdrawals from Special Drawing Accounts are permissible as advance withdrawals or for en-block transfer of funds in commercial banks / Development Financial Institutions (DFIs). Withdrawals from the Special Drawing Accounts shall only be admissible, if these are required to meet validly accrued liabilities / booked expenditure, duly pre-audited, where so required.

Following DDOs of CEO (DEA) Vehari, did not properly monitor the incurring of NSB funds of Rs 598.388 million during 2018-19. Audit scrutinized various drawbacks of irregular withdrawal of funds and non-deposit of taxes by suppliers in Government treasury. Audit observed that funds of Rs 598.388 million were withdrawn from treasury without pre-audit of claims in violation of above rules.

(Rupees in million)

Sr.No	Formations	Amount
1	Dy. DEO (EE-W) Vehari	46.818
2	CEO (DEA) Vehari	437.095

Sr.No	Formations	Amount
3	Dy. DEO (EE-M) Vehari	51.059
4	Dy. DEO (EE-M) Mailsi	63.416
Total		598.388

Audit is of the view that due weak internal control and defective financial management funds were withdrawn from treasury without pre-audit.

Withdrawal of funds Rs 598.388 million without pre-audit of claims is sheer violation of rules and resulted in irregular withdrawal.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of irregularity besides improvement of financial controls regarding NSB funds under intimation to Audit.

[AIR Para No.2, 16, 10 &8]

17.2.5.4.3 Irregular expenditure on development schemes beyond allocation – Rs 95.638 million

According to Rule 11 (1) (f) of the Punjab District Authorities (Accounts) Rules 2017, The CEO shall be responsible for proper maintenance of departmental accounts and financial discipline of a District Authority, subordinate offices and institutions and shall be responsible for arranging internal controls in a District Authority.

Chief Executive Officer, DEA Vehari transferred funds to XEN Buildings Division Vehari as deposit work during 2018-19 for development schemes and separate allocation was granted for every scheme. It was revealed that XEN Buildings Division incurred expenditure of Rs 95.638 million in excess of allocation against different development schemes. **Annexure –D/VHR**

Audit is of the view that due to weak internal controls, expenditure was incurred on development schemes in excess of allocation provided against each scheme.

Incurrence of expenditure in excess of allocation against each development scheme resulted in irregular expenditure amounting Rs 95.638 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification or regularization from the competent authority besides fixing responsibility on the person(s) at fault under intimation to Audit.

[AIR Para No. 19]

17.2.5.4.4 Non-surrender of savings / non-utilization of Funds—Rs 91.847 million

According to Rule 54 of the Punjab Local Government (Budget) Rules 2003, if the expenditure under any head of account at the close of the year is less by more than 10% of the actual allocation the head of the office shall be responsible to explain such less expenditure to the satisfaction of the Accounts Committee concerned. Further, according to Para 14.3 of the Punjab Budget Manual, the head of departments should submit to the Finance Department the Statement of Excesses and Surrenders by the 31st March.

Following DDOs of DEA Vehari did not surrender the available savings of Rs 91.847 million on account of non-salary budget during the period 2018-19. The detail is as under:

(Rupees in million)		
Sr. No.	Name of formation	Amount
1	Dy. DEO (EE-W) Vehari	70.089
2	Deputy District Officer (EE-M), Vehari	1.977
3	Deputy District Officer (EE-M), Mailsi	19.781
Total		91.847

Audit is of the view that due to weak financial controls, funds were not utilized and savings were not timely surrendered.

Non utilization and non-surrender of savings amounting to Rs 91.847 million resulted in non-compliance of the Government rules.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization from competent authority besides fixing of responsibility on the person(s) at fault.

[AIR Para No.18,12 &10]

17.2.5.4.5 Excess release of funds than demand and approval - Rs 6.268 million

According to Rule 11 (1) (f) of the Punjab District Authorities (Accounts) Rules 2017, The CEO shall be responsible for proper maintenance of departmental accounts and financial discipline of a District Authority, subordinate offices and institutions and shall be responsible for arranging internal controls in a District Authority.

Chief Executive Officer (DEA) Vehari excess allocated / released funds than demand of department amounting Rs 6.268 million during 2018-19 through system SAP / R3 to DEO (Literacy) Vehari without the approval of competent authority. It was observed that re-appropriation of funds were submitted by the concerned DEO which was approved by the authority / DC Vehari amounting Rs 190,000 which was released in system SAP / R3 as Rs 380,000. On verifying the budget figures, it was revealed that at every occasion of release of funds, excess funds were allocated and released to Literacy Department than the demand and approval. The detail is as under:

(Rupees in million)

Financial Year	Fund Center	Fund Center	Detail of grant	Budget Grant
2018-19	VY6547	VY6547 - DEO (Literacy) Vehari	Budget Grant	15.939
			Approved budget grant	6.399
			Excess	9.540
			Re-app (+)	0.380
			Approved Re-app (+)	0.190
			Excess	0.190
			Final Grant	12.952
			Approved final grant	6.683
			Excess final grant	6.268

Audit is of the view that due to weak internal controls, excess funds were released to Literacy Department than demand and approval.

Excess release of funds than demand and without approval resulted in irregular release of funds amounting Rs 6.268 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification or regularization from the competent authority, under intimation to Audit.

[AIR Para No.5]

17.2.5.4.6 Unjustified payment of earth work without approved lead chart- Rs 5.885 million

According to letter No.SE/LG&CD/5(25)/2015-16 dated 24.07.15 of Superintending Engineer of Local Government and Community development Punjab Lahore , the exact quantity of earth work will be worked out after conducting leveling before executing of earth work in order to avoid possibility of any wrong payment besides preparation of lead chart of earth work showing borrowing areas specifying exact khasra and khatoni numbers.

Chief Executive Officer, DEA Vehari get executed the different development schemes through X-EN Buildings Vehari and made payment of earth work from outside source amounting to Rs 5.885 million during 2018-19. Lead of earth work was paid up to 3 miles without lead charts showing the borrowing areas specifying exact khasra and khatoni numbers, were not available.

Audit is of the view that due to weak internal controls, earth work has been paid without preparation of lead charts showing borrowing areas specifying exact khasra and khatoni numbers.

Violation of instructions resulted in irregular payment of Rs 5.885 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification or corrective measures besides regularization of expenditure from the competent authority, under intimation to Audit.

[AIR Para No. 13]

17.2.5.4.7 Improper maintenance of cash book – Rs 3.855 million

According to rule 2.2 of the PFR Vol-I, A simple Cash Book in P.F.R. Form I should be kept in every office receiving or disbursing money on behalf of Government regularly or frequently for recording all transactions of moneys received by Government Servants in their official capacity, and subsequent remittance to the treasury or to the bank, as well transactions of moneys withdrawn from the treasury or the bank by bills and their subsequent disbursement. All cash transactions should be entered in the Cash Book as soon as they occur and attested in token of check. The Cash Book should be closed regularly and completely checked. In token of the check of the Cash Book, the

last entry checked therein should be initialed (with date) by the Government servant concerned on each occasion. The entries in the Cash Book of the cheques drawn from the Audit Office or amount withdrawn from the treasuries should be compared and checked with the list of the Cheques or Treasury Schedules issued by the Audit Office/Treasury Office. A certificate to this effect be recorded in the Cash Book. At the end of each month the head of the 'office "should personally verify the cash balance and record below the closing entries in the Cash Book a certificate to that effect over his dated signature specifying both in words and figures the actual cash balance. If, however, the head of the office is absent from headquarters, at the end of a month, he may delegate the duty of verifying the cash balance to another Officer or if there is no Officer, to his Office Superintendent, head clerk or other similar ministerial official of corresponding rank; but he should personally verify the cash balance on his return to headquarters.

Chief Executive Officer, DEA Vehari incurred an expenditure of Rs 3.855 million during 2018-19 but cash book for receipt and disbursement was not maintained.

Audit is of the view that due to weak internal controls, cash book was not maintained and entries were not made.

Improper maintenance of cash book resulted in violation of rules and may result into misappropriation of funds.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification and corrective measures, under intimation to Audit.

[AIR Para No.28]

17.2.5.4.8 Doubtful payment of security deposits - Rs 2.408 million

According to clause 50 (a) of standard bidding documents, in case the contractor is required by the Engineer-in-charge to rectify any imperfection damage, defects or other faults in work, etc. during the period of maintenance, the security deposit shall not be refunded till the contractor has fulfilled his obligations under the clause 43 and 44 hereto the satisfaction of the Engineer-in-charge.

Chief Executive Officer DEA Vehari got executed the different development works through X-EN Buildings Vehari and refunded the security deposits amounting Rs 2.408 million during 2018-19 despite the concerned staff / officer did not visit the site to check the satisfactory work during the period of maintenance. No certificate was given with the vouchers that the work was checked at site at the end of maintenance period and found satisfactory. Further, securities were refunded without signature of District Accounts Officer Vehari and security deposit register was not produced to scrutinize the payment and ensure the elimination of items from the security deposit register. In absence of site inspection at the end of maintenance period and security register, the payment of securities to the contractors was doubtful.

Audit is of the view that due to weak internal controls, payment of securities was made without site inspection and debit entries in the security register.

Payment of securities without site inspection and entries in the security register resulted in doubtful payment of securities amounting Rs 2.408 million.

The matter was reported to the PAO and DDOs concerned in August, 2019. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till finalization of this Report.

Audit recommends proper justification and production of required record for scrutiny besides corrective measures under intimation to Audit.

[AIR Para No.17]

ANNEXURE

Annexure-A
Part-I

**Memorandum for Departmental Accounts Committee Paras Pertaining to the
Audit Year 2019-20**

District Education Authority, Bahawalnagar

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
1	Dy. DEO (M-EE) BWN	2	Loss to Government due to unjustified payment of irrelevant allowances	0.107
2		4	Un-authorized payment of qualification allowance	0.02
3		11	Non deduction of PST on repair and services expenditure and less deduction of income tax	0.56
4		13	Doubtful/Unjustified expenditure without any demands	0.29
5		14	Irregular payment of increments and allowances for withheld period	0.01
6		17	Loss due to unjustified payment of personal allowance after promoting into next scale	3.514
7		20	Non recovery of penalties imposed by the competent authorities	0.08
8		22	Loss due to unjustified payment of integrated allowance to irrelevant employees	0.15
9		23	unauthorized expenditure on items not listed in policy	0.83
10		25	Loss to Govt. due to Purchase of POL at Higher Rates than the Rates Fixed by OGRA	0.02
11		29	Loss to govt. due to payments on higher rates	0.3
12		31	Non-compliance of audit /DAC directives on preceding audit reports	-
13	Govt. Girls High School Mohar wali	1	Double drawl / Misappropriation	0.17
14		4	Excess drawl of pay and allowances after regularization	0.38
15		12	Irregular expenditure on repair of building	0.9
16		14	Temporary embezzlement due to late disbursement	0.1
17		15	Un-authorized drawl of amount without requirement of immediate disbursement	0.2
18		18	Non accountal into stock	0.48
19	Special Education Centre Chishtian	2	Loss to government due to unjustified drawl of pay and allowances after regularization	0.097
20		5	Non Compliance of Audit Observation of Previous period	-
21		6	Loss due to non auctioning of old / unserviceable stock and dry trees	0.39
22		7	Loss due to unjustified payment of personal allowance after promoting into next scale	0.111
23		8	Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA	0.05
24		11	Unjustified expenditure of different head of accounts	0.48
25		12	Wasteful Expenditure just for the purpose of utilize the budget	0.28

Sr. No.	DDOs	Para No.	Subject	Amount
26		14	Fake expenditure of repair of vehicle	0.3
27		1	Irregular maintenance of cash book	-
28		2	Loss due to unjustified payment of irrelevant allowances	0.723
29		8	Doubtful expenditure on POL without entries in logbook	0.02
30	Dy. DEO (W-EE) Fortabbas	9	Unjustified cash payment instead of cheque	0.77
31		10	Doubtful expenditure without any demands	0.36
32		12	Loss due to less recovery of amount paid after resignation	0.09
33		18	Loss due to drawl of pay and allowances after resignation	0.414
34		20	Irregular working of teachers on the basis of wrong transfers	0.22
35		2	Overpayment of salaries to employees after retirement	0.71
36		Govt. Girls High School Toba Balochan	5	Non deduction of PST on repair and services expenditure and payment of taxes to suppliers
37	7		Doubtful withdrawal of pay without date of joining	0.25
38	11		Blockage of Government Money due to non utilization of NSB fund	1.289
39	12		Excess/irregular and unauthorized drawl of pay & allowances –	0.16
40	15		Doubtful expenditure due to non- updating and maintenance of crucial record	0.68
41	16		Unjustified / irregular expenditure from NSB in violation of school council policy	0.72
42	Dy. DEO (W-EE) Haroonabad	2	Loss due to in admissible payment of Charge Allowance to AEOs etc.	0.070
43		9	Loss due to Non Deduction of Group Insurance, Benevolent Fund and GP Fund	0.55
44		10	Doubtful drawl of pay & allowance without mentioning date of entry into service	13107
45		14	Unjustified expenditure on account of GST on purchase of bricks	0.063
46		16	Non-Deduction of Punjab Sales Tax on repair & maintenance	0.06
47		22	Doubtful expenditure on White Washing / Painting / Coloring of School Building and purchase of furniture	0.62
48		24	Non utilization of NSB Budget	47.533
49	CEO (DEA) Bahawalnagar	3	Irregular expenditure due to non-appointing of regular chairman	1
50		12	Doubtful withdrawal of pay without date of joining	69.884
51		13	Unauthorized payment due to late approval of Budget 2018-19	634.983
52		16	Loss due to unjustified payment of personal allowance after promoting into next scale	13.112
53		17	Unauthorized release of supplementary grant in violation of Austerity Measures	310.91
54		18	Unauthorized / doubtful release after or on last date of allotting of token	38.438
55		22	Unauthorized expenditure on closed accounts codes	0.25
56		24	Doubtful expenditure on repair of vehicle	0.13
57		25	Registration of schools without inspection by the District Committee	-
58		28	Misuse of government vehicle	0.24

Sr. No.	DDOs	Para No.	Subject	Amount
59		30	Non recovery of penalties imposed by the competent authorities	0.02
60		31	Non- compliance of audit /DAC directives on preceding audit reports	-
61		32	Irregular Expenditure by Misclassification	0.38
62	Dy. DEO (M-EE) Fortabbas	15	Doubtful expenditure on repair without maintenance of history sheet registers – Rs 137,563	0.137
63		16	Unjustified expenditure on different head of accounts	0.144
64		18	Non accountal into stock register of consumable items	0.218
65		20	Unjustified drawl of NSB by the school	
66		21	Loss to Govt. due to Non-Deduction of Provincial Sales Tax on Services	0.0015
67		23	Loss to government due to un-justified traveling - Rs 31,440	0.0314
68		24	Non-compliance of observations issued in previous year Audit	0

District Education Authority, Bahawalpur

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject of Para	Amount
1	Chief Executive Officer DEA Bahawalpur	13	Late extension of registration of Schools without imposing of penalty	-
2		18	Irregular payment to Madrassas on account of salaries and contingencies	17.032
3		19	Unjustified payment of personal allowance after promoting into next scale	3.086
4		23	Unjustified payment of qualification allowance	6.995
5		25	Non-verification of General Sales Tax –	-
6		26	Irregular purchase by splitting the indents –	0.585
7	Dy. District Education Officer(EE- M), Ahmed Pur East (Primary School)	1	Fraudulent drawl of POL - Rs 86,729	0.086
8		2	Loss to Govt. due to Unjustified Payment of Irrelevant Allowances, amounting to Rs 593,836	0.593
9		3	Loss due to excess drawl of POL – Rs 43,606	0.043
10		8	Doubtful drawl of NSB by the school	7.798
11		11	Loss to government due to payment of ad-hoc relief allowances after their merge into basic pay	0.219
12		12	Loss to government due to un-justified traveling out-side the tehsil - Rs 68,550	0.068
13		13	Loss to government due to unjustified drawl of social security benefit after regularization – Rs 153,184	0.153
14		15	Unjustified expenditure on account of repair works and others –	0.268
15		16	Loss to government due to purchase of POL at higher rates than rate fixed by OGRA and other issues – Rs 24,769	0.024
16		17	Unjustified expenditure on hot & coal – Rs 35,000	0.035
17		22	Unauthorized payment in Cash by schools – Rs 352,374	0.352
18	25	Non-compliance of observations issued in previous year Audit	-	
19	Dy. District	4	Doubtful expenditure on POL without entries in logbook	0.662

Sr. No.	DDOs	Para No.	Subject of Para	Amount
20	Education Officer (EE-W), Hasilpur (Primary School)	5	Loss due to drawl of POL without travelling – Rs 201,412	0.201
21		6	Unauthorized payment of conveyance allowance during LPR periods - Rs 115,287	0.115
22		7	Loss due to unjustified payment of integrated allowance to irrelevant employees – Rs 111,208	0.111
23		8	Unauthorized payment of SSB allowance – Rs 57,186	0.057
24		15	Unauthorized grant of annual increment without completion of six months service recovery thereof- Rs 22,800	0.022
25		17	Non deduction of PST on repair expenditure – Rs 555,967	0.556
26		20	Doubtful/Unjustified expenditure without any demands	0.111
27		21	Unjustified payment of Charge Allowance – Rs 84,000	0.084
28		25	Non-collection of proof of Sales Tax from firms – Rs 190,925	0.191
29	Dy. District Education Officer (EE-W), Yazman (Primary School)	2	Unjustified payment of personal allowance after promoting into next scale	2.607
30		4	Unjustified payment of qualification allowance	1.679
31		6	Irregular withdrawal of NSB funds without pre-audit	40.156
32		7	Misclassification of expenditure - Rs 312,461	0.312
33		8	Irregular expenditure due to non-compliance of PPRA Rules	0.612
34		11	Unjustified payment of Charge Allowance – Rs 115,250	0.115
35		15	Unjustified retention of funds of schools shifted to PEF	0.525
36		18	Irregular expenditure due to irregular expenditure of PTC teacher to the post of OT teacher	-
37	20	Non-compliance of observations issued in previous year Audit	-	
38	DY. District Education Officer (EE-W) BWP Sadar	1	Loss to Govt. due to Unjustified Payment of Irrelevant Allowances, amounting to Rs 192,083	0.192
39		5	Loss to government due to unjustified drawl of social security benefit after regularization – Rs 148,551	0.149
40		6	Unauthorized Payment of Charge Allowance to AEOs recovery	0.089
41		8	Loss to government due to payment of inadmissible allowances of post - Rs 331,129	0.331
42		10	Overpayment of House Rent Allowance @ 45 % than entitlement - Rs 418,683	0.418
43		12	Loss to government due to purchase of POL at higher rates than rate fixed by OGRA and other issues – Rs 8,866	0.008
44		15	Non-compliance of observations issued in previous year Audit	-
45		17	Irregular purchase of stationery by splitting to avoid tendering process – Rs 100,453	0.1
46		18	Unjustified payment of personal allowance after promoting into next scale	1.279
47		19	Unjustified expenditure without signatures from school council members	2.766
48		20	Loss to government due to irregular award of advance increments – Rs 100,920	0.1
49		21	Loss to government due to non deduction of GST – Rs 74,722	0.074
50		22	Unjustified drawl of NSB by the school – Rs 551,096 million	0.551

Sr. No.	DDOs	Para No.	Subject of Para	Amount
51		23	Unjustified expenditure on repair of schools -Rs 518,989	0.518
52	Govt. Higher Secondary School Lal Sohanra	2	Irregular payments of pending liabilities- Rs 635,829	0.636
53		3	Loss to Govt. Treasury due to Payment of Conveyance during Summer / Winter Vacations, amounting to Rs 384,225	0.384
54		4	Unauthorized Payment of Charge Allowance to the teachers	0.016
55		5	Un-justified payment of personal allowance – Rs 124,920	0.124
56		6	Irregular Expenditure on Repair & Maintenance of School Building – Rs 263,367	0.263
57		7	Payment of pay and allowances to teachers after their transfer - Rs 364,798	0.364
58		8	Loss to government due to unjustified drawl of pay and allowances after regularization – Rs 127,965	0.127
59		9	Loss due to un-justified drawl of conveyance allowances during leave period – Rs 57,424	0.057
60		12	Irregular / Unjustified payment of TA/DA – Rs 88,480	0.088
61		13	Unjustified expenditure of different head of accounts – Rs 396,990 and recovery of higher payment Rs 21,430	0.396
62		14	Irregular awards of advance increments to elementary school teachers on account of B. Ed recovery of Rs 124,585	0.124
63		15	Unjustified expenditure of different head of accounts	0.292
64		16	Irregular expenditure without sanctions by DDO – Rs 235,115	0.235
65		17	Non-compliance of observations issued in previous year Audit	-
66	19	Non refunded FTF– Rs 264,376	0.264	
67	20	Non-Production / Non Maintenance of Record	-	
68	Govt. Special Education Centre for Slow Learner Bahawalpur	2	Non - taking action against the default contractor and non recovery of Risk & Cost	-
69		3	Deficiencies in distribution of bonus to students Rs. 452,800	0.452
70		4	Irregular allotment of residences	-
71		8	Payment of salaries without verification of educational certificates - Rs million	-
72		9	Loss to govt. due to purchase of POL without observing OGRA rates Rs.5,132	0.005
73	Head Mistress Government Girls High School Chak No.48/DB Yazman	8	Loss due to payment of conveyance / mobility allowance	0.301
74		12	Loss to Government due to irregular award of Advance Increments and next scale – Rs 592100	0.592
75		16	Irregular expenditure without sanctions by DDO – Rs 304025	0.304
76		22	Non-collection of proof of Sales Tax from Firms – Rs 47136	0.047

District Education Authority, Rahim Yar Khan

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
1	CEO (DEA) RYK	1	Unjustified payment of conveyance allowance and HRA	0.131
2		4	Loss due to non deposit of GST by suppliers	0.084
3		8	Loss due to Misappropriation of Funds through Doubtful Billing	0.058
4		10	Loss due to non deduction of liquidity damages for late supplies	0.227
5		11	Unauthorized payment of conveyance allowance to teachers during leave periods	0.514
6		13	Loss of due to unjustified payment of irrelevant allowances	0.776
7		14	Irregular booking of expenditure in irrelevant object codes	497.242
8		15	Loss due to unjustified payment of personal allowance after promoting into next scale	0.401
9		17	Non reporting of fixed assets	46.503
10		18	Unjustified / baseless budgeting and late uploading of releases onto SAP.	-
11		20	Loss due to wasteful expenditure of advertisement	0.042
12		21	Loss due to purchase of chairs at excessive rates	0.345
13		25	Unfair pay of Imam Teachers / Pesh Imams.	-
14		26	Non-deposit of sale proceeds of old material into treasury	6.300
15	Dy. DEO (EE- W) RYK	2	Un-justified expenditure on fair and exhibition	0.050
16		3	Doubtful expenditure under Hot and Cold Charges	0.050
17		4	Irregular expenditure on repair and maintenance of machinery, furniture and hardware	0.226
18		5	Un-justified / Doubtful expenditure on repair of building	0.200
19		6	Un-justified / Doubtful expenditure on repair of Vehicle	0.193
20		8	Loss due to purchase / repair on higher rates	0.053
21		9	Non accountal into stock	0.025
22		10	Irregular expenditure on purchase of different items	0.071
23		11	Un-justified / Doubtful issuance and consumption of stock	0.644
24		13	Un-justified payment of irrelevant allowances	0.689
25		14	Loss due to unjustified payment of integrated allowance to irrelevant employees	0.063
26		15	Loss due to inadmissible payment of charge allowance to AEOs	0.073
27		19	Non recovery of penalties imposed by the competent authorities	0.027
28		20	Irregular payment of 30% Social Security Benefit	0.312
29		26	Non compliance of DAC directives on preceding audit reports	-
30		27	Improper maintenance of cash books for NSB	14.227
31		29	Un-authorized retention of Public Money into Account of DDO	15.333

Sr. No.	DDOs	Para No.	Subject	Amount
32	Dy. DEO (EE-W) KPR	30	Un-justified / doubtful expenditure on POL and recovery thereof.	0.441
33		31	loss due to non recovery of pay and allowances during EOL	0.108
34		3	Unauthorized retention of Public Money into Account of DDO	11.680
35		6	Unjustified cash payment instead of cheque	0.743
36		7	Doubtful/Unjustified expenditure without demands	1.911
37		9	Withdrawal of social security benefits after regularization -	0.299
38		12	Irregular pay of teacher due to change of cadre	3.929
39		13	Misclassification of expenditure	0.294
40		GBHSS Taj Garh	4	Excess drawl of pay and allowances after regularization
41	7		Un-justified / doubtful expenditure on labour	0.239
42	9		Irregular expenditure on purchase of different items	0.462
43	10		Doubtful expenditure on repair and maintenance of machinery and furniture	0.176
44	11		Irregular expenditure due to misclassification	0.214
45	14		Un-justified expenditure	0.078
46	3		Unauthorized Payment of Charge Allowance to AEOs recovery	0.249
47	6		Unjustified drawl of inspection allowance by the SST	0.265
48	8		Loss to Government treasury due to payment of conveyance allowance during summer / winter Vacations	2.554
49	9		Doubtful expenditure on repair without maintenance of history sheet registers	0.234
50	10		Loss to government due to unjustified drawl of social security benefit after regularization	0.886
51	13		Unauthorized payment without having sanction post	0.367
52	20		Unjustified payment of different head of accounts	0.663
53	22		Non-compliance of observations issued in previous year Audit	-
54	24		Less payment of leave encashment	0.120
55	Dy. DEO (EE-M) SDK	3	Loss due to payment of irrelevant allowances	0.068
56		5	Loss due to unjustified payment of integrated allowance	0.049
57		9	Loss due to Misappropriation of Funds through Doubtful Billing	0.301
58		10	Loss due to Showing Higher Rates of Store Items	0.113
59		12	Non-deposit of sale proceeds of old material into treasury	0.551
60		16	Loss due to non auction of old / dry trees	1.660
61		18	Loss due to doubtful consumption of POL	0.743
62		19	Unauthorized retention of Public Money into Account of DDO	16.967
63	20	Loss due to misappropriation of NSB funds	0.188	
64	GBHSS Feroza	09	Excess drawl of pay and allowances after regularization	0.098
65		11	Non / less deposit of FTF	0.061
66		12	Non refund / adjustment	0.057
67		17	Irregular expenditure without obtaining quotation	0.062
68	GGHS Railway	10	Improper Maintenance of Cash book	0.756

Sr. No.	DDOs	Para No.	Subject	Amount
69	Colony KPR	11	Irregular Expenditure on Repair & Maintenance of School Building	0.594
70		13	Unjustified expenditure on account of stationery	0.178
71		18	Irregular Drawl of Integrated allowance	0.065
72		20	Irregular expenditure on purchase of durable goods	0.150
73		21	Doubtful Distribution of Stipend to Student	1.011

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
District Education Authority D.G.Khan				
1	CEO (DEA)	8	Purchase of stationery without tender advertisement	0.454
2		12	Unjustified expenditure on photocopies	0.400
3		14	Wasteful expenditure on account of advertisement charges	0.864
4		18	Doubtful expenditure due to non accountal in stock register	0.070
5		19	Doubtful expenditure on account of repair of machinery and equipment's	0.245
6		21	Unjustified drawl of TA/DA and non-deposited of GST	0.087
7		24	Recovery on account of cost of old material of dangerous buildings	0.550
8		27	Overpayment due to wrong provision and payment of rate of 100% compacted rate of sub base coarse in foundation of building	0.155
9		28	Unjustified payment of PVC cables	0.335
10		30	Overpayment on account of use of local sand	0.869
11	Dy.DEO (EE-W) Taunsa	4	Overpayment due to non fixation of basic pay	0.470
12		9	Un-justified payment of income tax out of school council fund	0.983
13		15	Overpayment due to allowing of pay at excessive rate	0.160
14		21	Irregular expenditure on repair of vehicle	0.075
15		26	Less deduction of group insurance from employees salaries	0.118
16		27	Doubtful expenditure on purchase of furniture	0.810
17		28	Irregular expenditure without calling of tender	0.256
18	Dy. DEO (EE-M) D.G.Khan	2	Unjustified drawal against TA/DA	0.137
19		3	Unjustified drawal against stationery without stock entries and consumption record	0.030
20		5	Irregular drawal of POL bills	0.083
21		6	Likely misappropriation/adjustment of NSB fund	0.398
22		13	Recovery of fine against closed school	0.030
23		17	Recovery of unauthorized adjustment of staff pay	0.036
24		19	Recovery against inadmissible allowances	0.009

Sr. No.	DDOs	Para No.	Subject	Amount	
25	Dy. DEO (EE-M) Kot Chutta	8	Unjustified payment SSB and personal allowance to the same employee	0.217	
26		11	Overpayment of salaries due to drawal after retirement	0.145	
27		12	Unjustified drawl of POL	0.210	
28		14	Overpayment of house rent allowance @ 45%	0.035	
29		15	Unjustified payment of sales tax and recovery thereof	0.012	
30		16	Unjustified payment of TA/DA	0.084	
31		20	Unjustified payment of salaries of double shift teacher	0.180	
32		23	Incurrence of expenditure without approval from School Council	0.040	
33		24	Doubtful Purchase of uniform without distribution record	0.307	
34		25	Unjustified drawal out of NSB for settlement of the audit para	0.020	
35		Dy. DEO (EE-M) Taunsa	2	Recovery of overpayment due to non fixation of basic pay	0.196
36			5	overpayment due to non adjustment of ARA-2017 and ARA 2018 after regularization	0.039
37	19		Overpayment due to payment of higher rates of POL than notified by OGRA	0.010	
38	Dy. DEO (EE-W) Kot Chutta	3	Over payment due to non-fixation of pay after regularization of Class-IV	0.074	
39		6	Over payment due to non-fixation of pay after regularization	0.029	
40		7	Irregular expenditure on repair of machinery and equipment	0.123	
41		9	Unjustified drawal against TA/DA	0.039	
42		17	Unjustified drawal out of School Council Fund	0.100	
43		Dy. DEO (EE-W) D.G. Khan	11	Unauthorized drawl of adhoc allowance 2010 after merging in pay	0.064
44	24		Expenditure on payment of salaries to temporary teachers out of NSB grant	0.604	
45	25		Un-authorized payment against weather shield	0.514	
District Education Authority Muzaffargarh					
46	CEO (DEA)	2	Misappropriation due allowing of excessive pacca brick work	0.491	
47		18	Overpayment on account of use of local sand	0.182	

Sr. No.	DDOs	Para No.	Subject	Amount
48	Dy. DEO (EE-M) Jatoi	16	Less deduction of Group Insurance from employee's salaries	0.043
49	Dy. DEO (EE-W) Alipur	13	Less deduction of Group Insurance from employee's salaries	0.043
50		20	Misclassification of expenditure	0.033
51	Dy. DEO (EE-M) Alipur	17	Less deduction of Group Insurance from employee's salaries	0.042
52		18	Unauthorized and unjustified sse/ misuse of NSB fund	0.067
53		22	Misappropriation/doubtful drawl on account of uniform	0.277
54	Dy. DEO (EE-W) Kot Addu	19	Less deduction of Group Insurance from employee's salaries	0.161
55		23	Doubtful drawl on account of uniform	0.259
56	Dy. DEO (EE-M) Kot Addu	18	Irregular expenditure by School Councils	0.241
57		24	Unjustified payment of salaries without verification of degrees/academic record	0.923
58		25	Less deduction of Group Insurance from employee's salaries	0.117
59	Dy. DEO (EE-M) M.Garh	2	Unauthentic payment of pay and allowance	0.278
60		8	Recovery of unjustified payment of adhoc allowance-2010,11 & 2014	0.043
61		14	Unjustified payment of SSB and personal allowance to the same employee	0.135
62		21	Unjustified drawl of TA/DA	0.161
63		28	Irregular expenditure out of block allocation	0.411
District Education Authority Layyah				
64	CEO (DEA)	2	Recovery of irregular payment of conveyance allowance during leave	0.003
65		3	Loss to Government due to non deduction/deposit of Income Tax	0.013
66		19	Over drawl on account of pay and allowances	0.144
67		20	Unjustified payment of PVC cables	0.124
68		22	Loss due to non-deduction of income tax from old material	0.084
69		25	Overpayment due to un-justified allowing of 20% contractor profit	0.287
70		26	Unjustified payment of price variation	0.361
71	Dy. DEO (EE-M) Choubara	3	Unjustified payment of qualification allowance to contract employees	0.147

Sr. No.	DDOs	Para No.	Subject	Amount
72		4	Loss due to unauthorized withdrawal of inspection allowance	0.300
73		5	Unauthorized withdrawal of arrears	0.280
74		11	Less deduction of Group Insurance from employees salaries	0.041
75		12	Unjustified payment of TA / DA	0.068
76		20	Mis-appropriation of POL	0.16
77		21	Misclassification of expenditure	0.063
78		Dy.DEO (EE-W) Choubara	3	Recovery of unauthorized payment of SSB after regularization
79	5		Recovery of overpayment due to unauthorized allowing annual increment	0.111
80	7		Overpayment due to unauthorized allowing annual increment	0.105
81	9		Non recovery of G.P fund upon regularization of services	0.200
82	10		Overpayment due to allowing unauthorized annual increment without completion of six months services	0.123
83	12		payment of salary during leave without pay	0.151
84	21		Overpayment due to payment of higher rates of POL than notified by OGRA	0.009
85	22		Unjustified expenditure on repair of vehicle	0.075
86	24		Unjustified expenditure on TA/DA	0.202
87	Dy.DEO (EE-W) Layyah		4	Overpayment due to unauthorized allowing increments
88		5	overpayment due to payment of 30% SSB after regularization of services	0.520
89		8	payment of salary during the period of leave without pay	0.107
90		9	Irregular expenditure by School Councils –	0.283
91		10	Non recovery of penalty/fine imposed during absent period	0.208
92		17	Less deduction of group insurance from employees salaries	0.173
93		18	Misappropriation on account of uniform to students/ stores	0.068
94		20	Irregular expenditure on repair of vehicle	0.105
95		21	Doubtful payment on account of purchase of POL	0.282

Sr. No.	DDOs	Para No.	Subject	Amount
96		25	Doubtful purchase and issuance of store items	0.162
97		27	Un-justified expenditure on air conditioner	0.035
98		38	Misappropriation of NSB	0.063
99	Dy.DEO (EE-M) Layyah	3	Unjustified payment of qualification allowance to contract employees	0.191
100		4	Loss due to unauthorized withdrawal of inspection allowance	0.300
101		7	Unjustified and unauthorized payment of two increments to AEOs	0.924
102		14	Recovery of overpayment of higher scale	0.021
103		18	Misappropriation of NSB funds	0.665
104		22	Mis-appropriation of POL	0.129
105		Dy.DEO (EE-W) Karor	2	Overpayment due to non-adjustment of 30%SSB after regularization of services
106	6		Overpayment of on account of qualification allowance	0.016
107	7		Unauthorized payment of integrated allowance to the employees	0.027
108	13		Less deduction of group insurance from employees salaries	0.111
109	22		Unauthentic expenditure on purchase of children uniforms	0.181
110	25		Un-authentic expenditure on payment of salaries to contingent paid staff	0.942
111	26		Overpayment of salary during period of leave without pay	0.073
District Education Authority Rajanpur				
112	CEO (DEA)	3	Doubtful expenditure on account of repair of furniture	0.294
113		4	Doubtful expenditure on white wash of building	0.150
114		5	Over drawl on account of TA/DA	0.149
115		8	Unjustified Expenditure on Photocopies	0.423
116		9	Doubtful Expenditure on account of POL and transport	0.993
117		10	Loss on account of allowances	0.058
118		12	Unauthorized drawl on account of TA/DA	0.557
119		Dy.DEO (EE-W) Roojhan	3	Non refund of one month salary after termination of contract recovery
120	4		Withdrawal of salaries against bogus	0.170

Sr. No.	DDOs	Para No.	Subject	Amount
			appointment	
121		7	Payment of salaries after cancelation/withdrawal of appointment order	0.370
122		15	Payment of salaries after transfer	0.172
123	Dy.DEO (EE-M) Jampur	9	Overpayment of salaries due to drawal after medically invalid	0.183
124		12	Overpayment on account of pay during leave on half pay	0.029
125		15	Doubtful expenditure due non accountal of store	0.275
126		17	Non deposit of GST into Government treasury	0.102
127		18	Irregular award of BS-14 without prescribed qualification and selection grade and drawal of pay & allowances	0.994
128	Dy.DEO (EE-M) Rajampur	10	Irregular expenditure out of block allocation	0.444
129	Dy.DEO (EE-M) Roojhan	19	Less deduction of group insurance from employees salaries	0.040
130		24	Doubtful expenditure on payment of salaries to temporary teachers and staff out of NSB grant	0.259
131	Dy.DEO (EE-W) Jampur	9	Overpayment due to grant of annual increment without completing six month service and recovery	0.461
132		10	Overpayment of due to irregular award of Bs-9	0.098
133		23	Withdrawl of pay and allowances by the teacher for absent period	0.029
134		24	Unauthorized award of 2 advance increment on acquiring same qualification	0.126
135		25	Overpayment due to un-authorized award pre mature increment	0.107
136		27	Less deduction of group insurance from employees salaries	0.079
137		38	Irregular expenditure on repair of vehicle	0.091
138		39	Misclassification of expenditure rs67,433	0.067
139		40	Loss of Govt. due to misappropriation of POL	0.024
140		41	Doubtful expenditure on payment of salaries to temporary teachers and staff out of NSB grant	0.192
141		42	Doubtful purchase and issuance of store items	0.185
142		44	Un-justified expenditure on air conditioner	0.035

Sr. No.	DDOs	Para No.	Subject	Amount
143		45	Un-authorized expenditure on TA/DA	0.239
144		46	Doubtful payment on account of purchase of POL	0.080
145		47	Un-authorized release of funds on account of SMC grant to shelter less schools	0.482
146	Dy.DEO (EE-W) Rajanpur	19	Less deduction of group insurance from employees salaries	0.076
147		20	Doubtful expenditure on payment of salaries to temporary teachers and staff out of NSB grant	0.488

(Rupees in million)

Sr. No	Name of Formation	Para No.	Title of Para	Amount of Audit Observation
District Education Authority Chiniot				
1	Govt. Nusrat GHS Chenab Nagar Chiniot	5	Acknowledgment of receipts not obtained	0.311
2	Govt. Nusrat GHS Chenab Nagar Chiniot	8(a)	Irregular expenditure on repair of furniture & fixture	0.049
3	Govt. Nusrat GHS Chenab Nagar Chiniot	8(b)	Irregular expenditure on repair of machinery and equipment	0.020
4	DDEO (EE-M), Lalian	1	Withdrawal of inadmissible cash reward	0.039
		9	Excess expenditure on un-economical procurement of desk benches	0.131
5	DDEO (EE-W) Chiniot	4	Loss to Government due to non rationalization of postings of teachers	0.923
		13	Unauthorized retention of cash in hand	0.084
		15	Unauthorized expenditure on pick and drop of students	0.030
		16	Suspicious expenditure on the repair of machinery & equipment & furniture and fixture	0.034
6	DDEO (W), Bhowana	2	Loss due to procurement on higher rates	0.411
7	CEO, DEA, Chiniot	13	Loss to Government due to theft of vehicle	0.724
District Education Authority Faisalabad				
8	Government Girls Higher Secondary School, Samanabad	7	Non forfeiture of security deposited by the contractor	0.100
9	Deputy District Education Officer (EE-W), Faisalabad City	7	Procurement through fake billing – Rs 0.719 million	0.719
10	Chief Executive Officer, District Education Authority, Faisalabad	4	Shortage of pension funds	-
		11	Difference between budget book and appropriation account	0
		14	Irregular budgeting of receipts and expenditure of Authority	0
		20	Non-obtaining of insurance policy from consultants	0.700
		22	Non-recovery due to use of steel other than Pakistan steel	0.735
		26	Less obtaining of additional performance security	0.061
		27	Overpayment due to wrong calculation	0.101
		28	Irregular payment of non-schedule items	0.160
		29	Over payment due to wrong calculation of rates	0.374

Sr. No	Name of Formation	Para No.	Title of Para	Amount of Audit Observation
		30	Excess payment due to utilization of local sand	0.287
		37	Undue benefit to the Consultant due to less deduction of security deposit	0.123
		38	Less deduction of Income Tax (Certification Audit)	0.076
District Education Authority Jhang				
11	GHSS Hassu Balail	6	Unjustified withdrawal of inadmissible allowances	0.077
12	Deputy DEO (EE-W) Jhang	13	Suspicious Expenditure on uniforms of students	0.137
		14	Suspicious Expenditure on earth work	0.109
13	Deputy DEO (EE-M) AP Sial	10	Suspicious expenditure on uniform of students	0.188
14	Deputy DEO (W), Shorkot	4	Execution of sub-standard work of white wash	0.211
		10	Expenditure through irregular School Councils	-
		11	Non-utilization of student funds	-
		19	Non-verification of receipt	0.056
15	Deputy DEO (M), 18 Hazari	2	Excess Expenditure due to difference in rates	0.182
		15	Expenditure through irregular School Councils	-
16	CEO (DEA) Jhang	8	Loss due to mis-procurement of science lab equipment	0.593
		16	Excess payment due to utilization of local/Chanab sand	0.317
		28	Poor performance regarding asset management	-
		29	Misclassification of budget/expenditure under wrong object code	-
		30	Non-reconciliation of District Education Authority receipts	-
District Education Authority Toba Tek Singh				
17	GHSS 379/JB	6	Non-reconciliation of receipts	0.141
		8	Library security not credited to lapsed library security fund	0.053
18	GHS 303/JB	4	Auction of trees in violation of procurement rules – Rs 0.378 million	0.378
19	GHSS Sandhilianwali	4	Non-maintenance of record of moveable / immoveable property / assets register on prescribed format	-
20	Deputy DEO (Male) Toba	2	Unauthorized withdrawal of	0.708

Sr. No	Name of Formation	Para No.	Title of Para	Amount of Audit Observation
	Tek Singh		Conveyance Allowance during winter vacation – Rs 0.708 million	
21	Deputy DEO (Male) Kamalia	2	Loss due to procurement on higher rates	0.157
22	CEO DEA TTS	8	Irregular payment of Cash Award	0.625
		13	Non / less return of unspent balances by XEN Buildings	0.286
		21	Excess payment of pay and allowances due to unauthorized creation of anomalies (Certification Audit)	-

District Education Authority, Khanewal

(Rupees in million)

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
1	CEO DEA Khanewal	1	Unjustified difference between bank statement and cash book	27.614
2		4	Non forfeiture of security deposit	0.051
3		5	Non-renewal of registration of private schools and non-imposition of penalties	0.422
4		8	Excess expenditure over and above the budget allocation	1.769
5		15	Irregular deposit of District Education Authorities receipts into Provincial Government Account-I instead of DEA Account V	0.041
6		16	Irregular clearance of pending liabilities without allocation of funds	0.062
7		18	Unauthorized payment of integrated allowances to staff and recovery thereof	0.213
8		23	Irregular payment of different inadmissible allowances	0.586
9		25	Loss to government due to non-recovery of one month salary due to termination/ resignation	0.588
10	Dy. DEO (EE-M) Kabirwala	1	Non-refund of unspent balance of non-salary budget from schools handed over to Punjab Education Foundation	0.393
11		3	Non-Regularization of the services of Naib Qasid & Class-IV despite direction of the Government and unauthorized withdrawal of 30% social security benefits	0.986
12		4	Excess payment of personal allowance - Recovery thereof	0.320
13		5	Unauthorized grant of annual increment recovery thereof	0.025
14		6	Irregular payment of pay & allowances due to wrong designation	21.652
15		8	Drawal of arrears of pay and allowances without availability of budget allocation to clear the liabilities	2.328
16		9	Payment of unauthorized conveyance allowance to teachers during leave periods	0.089

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount	
17		10	Unauthorized award of advance increments to AEOs	0.567	
18		11	Irregular payment of Charge Allowance to teachers with charge of Head Teachers	0.026	
19		12	Irregular withdrawal of inadmissible allowances recovery thereof	0.134	
20		15	Non-deductions of Taxes on the purchases made / services hired	0.852	
21		16	Doubtful / Irregular Inspection Allowance due to non performing of supervisory duties regarding NSB / SMC /FTF by the AEO,s	0.750	
22		19	Non-imposition / payment of Punjab Sales Tax and Income Tax on services	0.159	
23		20	Irregular/overpayment payment of sales tax on tablets, paint and construction material by school council's	0.952	
24		22	Irregular payment of Fixed TA to Naib Qasid	0.029	
25		23	Doubtful payment of salary with fake ID card numbers	0.210	
26		24	Irregular withdrawal of pay and allowances from irrelevant DDO Code	0.515	
27		26	Unauthorized payment on account of integrated allowance	0.027	
28		Dy. District Education Officer (EE-W) MianChannu	2	Doubtful withdrawal of pay without date of joining	6.434
29			3	Doubtful payment of salary with doubtful ID card numbers	5.920
30			6	Non-verification of Challans	0.141
31	7		Excess payment of personal allowance	0.145	
32	8		Doubtful payment on account of Pay & Allowances	0.876	
33	10		Excess withdrawal of inspection allowance by the AEO	0.275	
34	11		Unauthorized Payment of Pay and Allowances despite Superannuation Retirement of Employees	0.249	
35	12		Non-imposition and non-payment of sales tax on bricks	0.321	
36	14		Non-imposition / payment of Punjab Sales Tax and income tax on services	0.682	
37	Dy. District		2	Irregular clearance of pending liabilities without	0.089

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount	
	Education Officer (EE-W) kabirwala		allocation of funds		
38		4	Excess expenditure over and above the budget allocation	4.452	
39		5	Unauthorized payment of integrated allowances to staff and recovery thereof	0.044	
40		6	Irregular payment of pay and allowances without sanction of Finance Department	0.638	
41		8	Excess payment of house rent allowance and recovery thereof	0.064	
42		10	Loss to government due to withdrawal of science teaching allowance without	0.062	
43		11	Irregular / uneconomical purchase of furniture	0.333	
44		12	Irregular purchase of uniform from NSB funds without approval CEO Education	0.573	
45		14	Loss to government due excess payment without deduction Sales Tax	0.159	
46		15	Unauthorized advance withdrawal of funds from NSB funds without sanction of competent authority	1.346	
47		16	Loss to government due to excess payment	0.207	
48		18	Irregular procurement of Tablet PCs and recovery thereof	0.232	
49		19	Doubtful purchase of consumable items without stock entries	6.698	
50		20	Loss to government due to non deduction of PST and Income Tax	0.526	
51		21	Misappropriation of NSB	0.100	
52		22	Irregular payment of Punjab Sales Tax	0.152	
53		23	Defective maintenance of cash book	2.438	
54		Deputy DEO (EE-M) Khanewal	2	Irregular drawls of pay and allowance after regularization and recovery thereof	0.903
55			3	Un-justified excess payment of Inspection Allowance	0.330
56			5	Doubtful payment of pay and allowances through adjustment	5.299
57			6	Irregular payment of charge allowance. Recovery thereof	0.133
58			7	Irregular payment of arrears of pay and allowances	0.867

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
			without additional budget	
59		8	Loss due to payment of inadmissible allowances	0.143
60		12	Poor performance of managements resulted in blockage of fund/ non utilization of funds	18.500
61		14	Irregular payment by head of schools on account of miscellaneous services acquired and non payment of PST	0.118
62		15	Excess payment of Sales Tax	0.080
63		16	Non Deduction of Income Tax	0.041
64		17	Non verification of deposit of Sales Tax on purchases	1.913
65		18	Non-compliance of observations issued in previous year Audit	-

District Education Authority, Lodhran

(Rupees in million)

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
1	CEO Education	5	Irregular payment of pay and allowance due to shifting of headquarter and non recovery of pay and allowances of teachers not performed her duty.	1.33
2		8	Irregular purchase by splitting the indents and non verification of deposit of GST	0.502
3		9	Irregular payment of Personal Allowance	0.838
4		12	Non-refixation of pay and allowance due to wrong drawl of advance increments	0.612
5		13	Unauthorized payment of conveyance allowance to teachers during summer vacations and leave period	0.621
6		14	Irregular drawl of Science Teaching Allowance	0.526
7		15	Irregular payment of charge allowance. Recovery thereof	0.23
8		16	Unjustified payment on account of qualification allowance	0.684
9		17	Recovery of conveyance allowance from the persons	0.06

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount	
			residing within the premises of office		
10		18	Irregular payment of inadmissible allowance	0.171	
11	Dy. DEO (EE_W) Dunyapur	1	Loss to Government due to non-regularization of educators	3.972	
12		2	Unjustified withdrawal of pay without date of joining	1.376	
13		4	Withdrawal of social security benefits despite regularization of employees	0.821	
14		5	Unauthorized payment of conveyance allowance to teachers during leave period	0.438	
15		6	Irregular withdrawal of pay and allowances against posts not sanctioned	0.318	
16		7	Irregular payment of adhoc relief allowance-2016 to teachers recovery thereof	0.317	
17		8	Unauthorized withdrawal of conveyance allowance during summer vacations	0.188	
18		9	Irregular payment of Personal Allowance	0.14	
19		10	Recovery of inadmissible allowances	0.199	
20		11	Non deposit / verification of receipts -	0.04	
21		13	Non recovery of NSB fund from PEF schools	0.853	
22		15	Unauthorized payment of Rent of Buildings	0.12	
23		17	Non-imposition / payment of Punjab Sales Tax on services	0.496	
24		Dy. DEO (EE_M) Lodhran	4	Doubtful repair of vehicle, claims of T.A bills, and POL bills due to doubtful maintenance of Log Book	0.549
25			5	Irregular Drawl of arrears of pay & allowances without allocation / release of separate Budget	0.607
26			6	Irregular payment of Personal Allowance	0.103
27			7	Unjustified payment of Social Security Benefit and recovery thereof	0.779
28	8		Unauthorized payment of conveyance allowance to teachers during vacations	0.978	
29	9		Unjustified payment of SSB allowance due to non-regularization of contract employees on contract for more than 4 years	2.72	
30	10		Unjustified withdrawal of pay without date of joining	1.586	

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
31		11	Irregular payment of adhoc relief allowance-2016 to teachers recovery thereof	0.097
32		12	Irregular payment by head of schools on account of miscellaneous services acquired and non payment of PST	0.094
33		14	Irregular purchases of furniture	0.343
34		16	Recovery of Charge allowance	0.016
35		17	Non-surrender of savings	0.193
36		18	Non provision of compliance of Audit paras relating to Previous Years	0
37		1	Unjustified Drawl of Inadmissible Charge Allowance , Annual increments & Double Increments by the AEOs, Recovery	
38		2	Irregular withdrawal of Personal allowance and recovery thereof	0.682
39		4	Irregular drawl of inadmissible allowances, Recovery thereof	0.044
40		6	Irregular payment of Pay & allowances instead of having Nil Date of Joining	0.72
41		7	Non-regularization of the services of staff despite direction of the Government and unauthorized withdrawal of 30% social security benefits	0.787
42		10	Unjustified Drawl of Inadmissible Annual Increment after getting promotion in the 2 nd Half of 2018	0.396
43		11	Unjustified Drawl of Conveyance Allowance Winter Leaves	0.679
44		12	Irregualr Payment of Adhoc Relief Allowance-2016 to teaching staff , recorey	0.11
45		13	Unjustified Drawl of Conveyance Allowance During Leave Period	0.026
46		14	Irregular payment of Pay and Allowances due to non-fixation of Pay of teacher	2.074
47		15	Non-production of deposit proof of GST by Suppliers inquiry thereof	0.02
48		18	Irregular/overpayment payment of sales tax on Tablets, LED By School council's	0.109
49		20	Doubtful payment / non deposit of GST inquiry thereof	0.825
	Dy. DEO (EE_M) KP			

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
50		21	Irregular expenditure without signature on Cash book and approval of SMC Committee	0.615
51		22	Excess Drawl of TA/DA without Visit	0.002
52		3	Irregular expenditure on account of travelling allowance	0.193
53		4	Doubtful Consumption of POL due to defective maintenance of Log Book	0.246
54		5	Irregular payment of adhoc relief allowance-2016 to teachers recovery thereof	0.293
55		7	Loss to Government due to non-regularization of educators	2.744
56		8	Withdrawal of social security benefits despite regularization of employees	0.576
57		9	Irregular withdrawal of charge allowance	0.053
58		10	Irregular procurement of furniture, machinery and equipment by splitting	0.034
59	Dy. DEO (EE_M) Dunyapur	11	Irregular purchase of uniform from NSB funds without approval of CEO Education	0.273
60		13	Non-imposition / payment of Punjab Sales Tax on services	0.306
61		14	Irregular withdrawal of conveyance allowance during vacations	0.025
62		15	Irregular payment of sales tax on exempted items	0.36
63		16	Non-imposition and non-payment of sales tax on bricks recovery thereof	0.107
64		17	Non-deduction/payment of withholding income tax on services Recovery thereof	0.222
65		18	Non-maintenance of proper consumption record of consumable items	0.168
66		21	Non-production of record	0
67		22	Non-production of deposit proof of GST by Suppliers inquiry thereof	1.782
68		1	Misappropriation of Trees	0.435
69	GHS Haveli Naseer khan	2	Doubtful Expenditure from FTF Account	0.0105
70		3	Non-finalization of Inquiry of Misappropriation of Trees	0.169
71		4	Irregular purchases from non-registered suppliers and non-deduction / deposit of taxes	0.213

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
72		5	Non-deduction of Conveyance allowances during leave	0.019
73		6	Non-deduction / Deposit of Provincial Sale Tax and Income Tax	0.014
74		8	Non-deduction of 1/5 th of GST and non-verification of deposit of GST and Income Tax paid to supplier	0.135
75		9	Undue payment of Conveyance Allowance during vacations	0.023
76		10	Non-reconciliation of difference between FTF Bank Statement and Register	0.0055
77		11	Doubtful Expenditure from NSB Account	0.045
78		12	Non-deposit of sales proceeds of old material of the old rooms with kacha brick work inquiry thereof	0
79		13	Irregular expenditure without tendering regularization thereof and Non-deduction of Income Tax	0.385
80		14	Irregular advance payment without approval of Finance Department regularization thereof	0.63
81		15	Non-imparting Practical Skills to the students by conducting of Practical Training of Biology, Chemistry and Physics	0
82		16	Issuance of Fake School Leaving Certificate(s)	0
83		17	Non verification of deposit of FTF	0.878
84		18	Doubtful Expenditure on Medical Claim	0.002
85		GHS Kotla Ali Dasti Lodhran	1	Non maintenance of tree register for value of millions
86	2		Expenditure in excess of budget allocation	11.882
87	3		Irregular drawl of huge amount of arrears of pay & allowances without allocation / release & availability of vouched account	0.894
88	4		Recovery of overpayment of Pay & Allowances	0.102
89	5		Withdrawal of social security benefits after regularization of service	0.124
90	6		Unauthorized payment of conveyance allowance to teachers during leave period	0.06
91	7		Non Surrender of Savings	9.789
92	8		Irregular expenditure through splitting	0.706

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
93		9	Non-Production of Deposit Proof of GST and overpayment of GST on exempt items	0.020
94		10	Non-deduction of Income Tax on goods and services	0.007
95		11	Non-imposition / payment of Punjab Sales Tax and recovery of overpayment of GST on exempt items	0.007
96		12	Non-utilization of NSB funds	0.028
97		13	Misappropriation of Government Receipts	0.032
98		14	Misappropriation of Fund due to Non return of Loan paid from FTF	0.028
99		15	Payment of inadmissible allowances	0.009
100		16	Irregular / doubtful expenditure from NSB funds	0.911
101		17	Irregular withdrawal of conveyance allowance during summer and winter vacation	0.037
102		18	Irregular expenditure without signature on Cash book and approval of SMC Committee	0.912
103		19	Un-authorized Withdrawal of Pay & Allowances in the Period of Absence Recovery	0.045
104		20	Doubtful expenditures on the accounts of Contingencies	1.958
105		21	Non-Collection of Proof of Deposit of General Sales Tax (GST)	0.025
106		22	Non-production of record	0

District Education Authority, Multan

(Rupees in million)

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
1		3	Unauthorized allocation in annual as well as revised budget without having the detail of expenditures	250
2	CEO DEA	4	Unauthorized allocation of fund for GPF/BF/WF and Pension out of development budget	250
3	Multan	14	Irregular clearance of pending liabilities without allocation of funds	0.749
4		15	Non verification of deposit challans of receipt	0.715
5		17	Excess expenditures than the allocated	0.306

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
6		18	Misclassification of expenditures	0.183
7		19	Drawl of double bill through one invoice	0.058
8		20	Unauthorized drawl of TA/DA	0.019
9		21	Unauthorized purchase of single bed, diamond mattress foams and pillow for CEO Education	0.019
10	Dy DEO EE-M Sadar	21	Unauthorized advance withdrawal of funds from NSB funds without sanction of competent authority	0.100
11	Multan	22	Loss to government due to excess payment	0.093
12	Dy DEO (EE-W)	3	Doubtful withdrawal of pay and allowances without date of joining	1.133
13	Jalalpur Pirwala	14	Loss to Government due to overpayment of GST of exempted item	0.036
14		16	Unauthorized payment of travelling allowance	0.023
15		9	Doubtful purchase of stationery	0.705
16		14	Unauthorized payment of GST on paint, emulsion and weather shield	0.232
17		18	Misclassification of expenditures	0.116
18		19	Unauthorized issuance of loans from NSB Funds to other school	0.100
19		20	Irregular repair of transport	0.100
20	Dy DEO (EE-W) Shujabad	17	Unauthorized drawl of NSB funds	0.148

District Education Authority, Pakpattan

(Rupees in million)

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
1	CEO Education	2	Non deduction of Income Tax on Honorarium	0.061
2		5	Unauthorized payment of Charge Allowance to AEOs	0.518
3		6	Non verification of challan to verify deduction of pay and allowances during leave	0.33

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount	
4		7	Unauthorized payment of charge allowance beyond eligibility recovery	0.072	
5		10	Un-reconciled difference between bank balance and cash book	13.016	
6		12	Un-reconciled difference between bank balance and cash book	1.85	
7		13	Non maintenance of receipt in Account -V of District Education Authority	0	
8		15	Payment of allowances during leaves	0.026	
9		17	Excess payment of Personal Allowance recovery thereof	0.341	
10		18	Non-transparent expenditure on repair of office vehicle	0.145	
11		22	Unjustified Drawl of Conveyance Allowance during winter leaves	0.227	
12		25	Recovery of undue payment on Inspection Allowances	3.9	
13		27	Excess withdrawal of Pay and Allowances recovery thereof	0.352	
14		Dy. DEO (EE_W) Pakpattan	1	Non-refixation of pay and allowances to adjust unauthorized advance increments recovery thereof	0.294
15			2	Undue payment of Qualification Allowance	0.183
16			4	Irregular payment of Inspection Allowance	3.55
17	5		Undue payment of Charge Allowance to AEOs	0.064	
18	6		Irregular payment of Social Security Benefit despite regularization	0.456	
19	7		Excess payment of pay and allowances due to non-fixation of pay and allowances after regularization recovery thereof	0.088	
20	8		Recovery of undue payment on Inspection Allowances	1.05	
21	9		Doubtful withdrawal of pay without date of joining	1.533	
22	10		Recovery of undue payment of inadmissible allowances	0.018	

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount	
23		11	Non-deduction / Deposit of Provincial Sale Tax	0.151	
24		12	Non-provision of evidence to verify deduction of pay and allowances during leave	0.491	
25		14	Recovery of undue payment of charge allowance without entitlement	0.156	
26		16	Recovery of excess payment of Ad Hoc Relief allowance 2016	0.044	
27		17	Non-deduction of 1/5 th of GST and non-verification of deposit of GST paid to supplier	0.542	
28		18	Irregular purchases from NSB funds from unregistered suppliers– Rs 260,423 and non-deduction / deposit of taxes	0.035	
29		19	Blockage of Funds due to Non-Pursuance of the case with PMIU for Refund of NSB funds from schools handed over to PEF	0.223	
30		20	Undue payment of Personal Allowance	0.632	
31		21	Irregular expenditure in violation of PPRA Rules and by splitting-up regularization thereof	0.585	
32		Dy. DEO (EE_M) Pakpattan	1	Irregular payment of Inspection Allowance	4.585
33			2	Unauthorized payment of Charge Allowance to AEOs	0.123
34	3		Irregular payment of social security benefit despite regularization	0.606	
35	4		Excess payment of pay and allowances due to non-fixation of pay and allowances after regularization recovery thereof	0.255	
36	5		Non-purchasing of Postage Stamps	0.02	
37	6		Recovery of undue payment on Inspection Allowances	1.2	
38	7		Non-deposit of FTF	0.044	
39	8		Blockage of Funds due to Non-Pursuance of the case with PMIU for Refund of NSB funds from schools handed over to PEF	0.419	
40	9		Non-deduction / Deposit of Provincial Sale Tax	0.049	

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
41		10	Non verification of challan to verify deduction of pay and allowances during leave	0.424
42		11	Irregular expenditure by splitting-up regularization thereof	0.221
43		12	Withdrawal of funds without incurring expenditure from FTF Rs	0.03
44		13	Non-Recovery of amount pointed out by Inquiry Committee	0.262
45		14	Irregular expenditure on hiring of part time coaches (PTCs) regularization thereof	0.215
46		15	Undue payment of Personal Allowance / Social Security Benefit	0.106
47		16	Recovery of undue payment of inadmissible allowances	0.029
48		17	Undue payment of charge allowance recovery thereof	0.148
49		18	Non-refixation of pay and allowances to adjust unauthorized advance increments recovery thereof	0.283
50		20	Non-deduction of 1/5 th of GST and non-verification of deposit of GST paid to supplier	1.48
51	Dy. DEO (EE_M) Arifwala	1	Unjustified Drawl of Inadmissible Charge Allowance by the AEOs, Recovery	0.121
52		3	Irregular withdrawal of Personal allowance and recovery thereof	0.161
54		9	Unjustified Drawl of Conveyance Allowance during Winter Leaves	0.227
55		10	Unjustified Drawl of Conveyance Allowance During Leave Period.	0.14
56		11	Unjustified Stay of Staf in the Dy. DEO (EE-M) office More than three years In the Same office , Irregualr Drawl of Pay & Allowance	1.115
57		13	Irregualr Payment of Adhoc Relief Allowance-2016 to teaching staff , recorey	0.715
58		14	Excess Payment of Charge Allowance to the Irrelevant Teachers, Recovery thereof	0.527

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
59		16	Irregular drawl of inspection allowance by the AEOs as a Part of Pay	2.2
60		18	Irregular Excess Drawl of Pay As Compared to Fixation Available In Service Books	0.586
61		19	Irregular Drawl of Qualification Allowance	0.083
62		20	Irregular payment without Cross Cheque	0.431
63		21	Irregular Doubtful Expenditure on purchase of Stationary & Other Store items	0.595
64		25	Non deduction of PST on repair & Services expenditure	0.655
65		27	Irregular/overpayment payment of sales tax on bricks and Tablets , Paint by school council's	0.432
66		28	Non-production of deposit proof of GST by Suppliers	2.312
67		Dy. DEO (EE_W) Arifwala	1	Irregular payment of adhoc relief allowance-2016 to teachers recovery thereof
68	3		Irregular withdrawal pay and allowances	0.224
69	6		Irregular withdrawal of charge allowance	0.124
70	7		Unauthorized payment of integrated allowances to staff and recovery thereof	0.045
71	9		Irregular purchase of uniform from NSB funds without approval of CEO Education	0.422
72	11		Non-imposition / payment of Punjab Sales Tax on services	0.419
73	12		Irregular withdrawal of conveyance allowance during vacations	0.68
74	13		Irregular payment of sales tax on exempted items	0.396
75	14		Non-imposition and non-payment of sales tax on bricks recovery thereof	0.328
76	15		Non-deduction/payment of withholding income tax on services Recovery thereof	0.304
77	16		Non-maintenance of proper consumption record of consumable items	0.569

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
78		18	Non-production of deposit proof of GST by Suppliers inquiry thereof	2.682
79		20	Fraudulent withdrawal of double pay recovery thereof	0.056
80		21	Poor Monitoring of NSB Funds by AEOs inquiry thereof	0
81		23	Irregular payment of pending liabilities	0.115

District Education Authority, Sahiwal

(Rupees in million)

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
1	CEO DEA SWL	3	Doubtful payment of salary with doubtful ID card numbers	100.708
2		2	Doubtful withdrawal of pay without date of joining	41.599
3		6	Un-reconciled difference between bank balance and cash book	4.313
4		7	Irregular revised allocation of funds against 'Nil' budget Rs 75.260 million	75.260
5		8	Unauthorized release of supplementary grant without approval / written order	189.615
6		9	Non execution of work despite payment as Deposit Work	0.684
7		12	Blockage of funds	0.502
8		17	Non recovery of Inspection fee from the private schools	0.054
9		18	Late Issuance the Registration Certificate of private school	-
10		20	Unjustified expenditure on account of photocopies	0.117
11		21	Unjustified cash payment instead of cheque	0.817
12		22	Non provision of compliance of Audit paras relating to Previous Years	-
13	Dy DEO (EE-M) SWL	2	Doubtful withdrawal of pay without date of joining	8.066
14		3	Doubtful payment of salary with doubtful ID card numbers	4.702
15		10	Non recovery / deposit / collection of fines	0.139

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
16		13	Loss to Government due to overpayment of GST of exempted items	0.114
17		16	Non-collection of proof of Sales Tax from firms	0.980
18		18	Irregular expenditure from NSB funds without pre-Audit and monitoring-	59.490
19	Dy DEO (EE-W) SWL	6	Irregular clearance of pending liabilities without allocation of funds	0.138
20		7	Unauthorized grant of annual increment and recovery thereof	0.270
21		8	Irregular purchase of uniform from NSB funds without approval of CEO Education	0.204
22		10	Loss to government due excess payment without deduction Sales Tax on bricks & sand and recovery thereof	0.147
23		11	Loss to government due to excess payment	0.082
24		15	Irregular payment of Punjab Sales Tax	0.044
25		16	Non-Surrender of Anticipated Savings Amounting to	3.510
26		17	Unauthorized purchase of various items without obtaining sales tax invoices	0.390
27		18	Defective maintenance of cash book	0
28		19	Non recovery of penalties imposed by competent authority	0.072
29		3	Unjustified withdrawal of pay without date of joining	8.753
30	Dy DEO (EE-M) CCI	3	Doubtful withdrawal of pay without date of joining	2.349
31		7	Non recovery / deposit / collection of fines	0.035
32		11	Loss to Government due to overpayment of GST of exempted items	0.187
33		17	Irregular / Unjustified expenditure on Photo state	0.034
34		18	Non provision of compliance of Audit paras relating to Financial Year 2018-19	0.000
35	Dy DEO (EE-W) CCI	2	Doubtful withdrawal of pay without date of joining	3.739
36		3	Doubtful payment of salary with doubtful ID card numbers	72.146
37		7	Non recovery / deposit / collection of fines	0.022
38		10	Unauthorized grant of annual increment recovery thereof	0.035
39		13	Loss to Government due to overpayment of GST of exempted items	0.494

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
40		15	Loss to Government due to overpayment of I/Tax	0.112
41		18	Non provision of compliance of Audit paras relating to Previous Years	0.000

District Education Authority, Vehari

(Rupees in million)

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
1	CEO DEA Vehari	3	Fraudulent withdrawal despite surrender of funds	0.611
2		4	Irregular approval of revised budget without inclusion of receipts	8,317.981
3		11	Unauthorized payment of inspection allowance without entitlement -	0.100
4		14	Recovery due to payment of earth from outside source despite availability of surplus earth	0.494
5		15	Recovery due to use of local sand	1.684
6		20	Less deduction of GP Fund Subscription	0.051
7		21	Doubtful withdrawal of pay and allowances without date of joining	20.841
8		23	Irregular posting of school teacher / headmaster and withdrawal of pay and allowances for erratic post	1.812
9		24	Unjustified expenditure of travelling allowance	0.462
10		25	Unjustified expenditure of POL and recovery of POL not entered in logbook	0.282
11		26	Irregular payment in cash instead of crossed cheque	0.452
12		27	Unauthorized creation of liabilities despite availability of budget allocation	2.493
13	Deputy DEO (EE-W) vehari	2	Unauthorized excess withdrawal of pay and allowances after regularization recovery thereof	0.463
14		3	Loss due to unauthorized award of two scales	0.499
15		5	Non deduction of maintenance charges	0.132
16		7	Doubtful withdrawal of pay without date of joining	4.841
17		10	Unauthorized withdrawal of different allowances without admissibility and recovery thereof	0.294

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
18		12	Loss to Government due to irregular drawl of integrated allowance	0.032
19		13	Less deduction of GP Fund subscription	0.02
20		20	Excess payment of Sales Tax	0.0555
21	Deputy District Education Officer (EE-M), Vehari	1	Excess payment of adhoc relief allowance 2016	0.211
22		2	Unauthorized payment of inadmissible allowances	0.435
23		5	Over payment of conveyance allowance during summer vacations	0.047
24		7	Non recovery of pay during earned leave	0.386
25		15	Doubeful payment without joining date	-
26		17	Non recovery of penalties	0.024
27		18	Non imposition nad non payment of Sales tas	0.045
27a		19	Loss due to ignoring the sestruction of Motor cycle	0.100
27b		20	Non compliance of recovery of previous year paras	-
28	Dy. District Education Officer (EE-W) Burewala	4	Non-deduction of Income Tax on goods and services	0.213
29		5	Non-imposition / payment of GST	0.137
30		6	Non-Production of proof of Income Tax deducted on goods and services	0.317
31		7	Non-imposition / payment of Punjab Sales Tax	0.144
32		10	Doubtful payment of salary with doubtful ID card number	2.736
33		11	Doubtful withdrawal of pay without date of joining	1.26
34		12	Payment of salaries after retirement	0.192
35		13	Non-imposition and non-payment of sales tax on bricks	0.114
36		14	Irregular purchase of uniform from NSB funds without approval CEO Education	1.379
37	Deputy District Education Officer (EE-M), Mailsi	1	Unauthorized payment of inadmissible allowances	0.056
38		4	Unauthorized withdrawals of arrears of pay and allowances without budget allocation and sanction of the competent authority	0.037
39		5	Irregular Payments of Arrears without Additional Budget	8.013
40		13	Non-imposition and non-payment of sales tax on	0.147

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
			bricks	
41		14	Non-recovery of pay and allowance from teacher during earned leaves	0.471
42		17	Non – compliance of recovery against previous audit paras	

Annexure-A
Part-II

**Memorandum for Departmental Accounts Committee Paras
Pertaining to the Audit Year 2018-19**

District Education Authority, Bahawalnagar

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
1	CEO(DEA), BWN	2	Fraudulent drawl of double payment	0.600
2	Principal G H S S 207/M	1	Unjustified payment of qualification allowance without obtaining prior permission for higher / further qualifications	0.060
3		2	Non Auction of Old material + Old newspaper	0.010
4		3	Non Utilization of Budget	0.200
5	Dy. DEO (EE-M) FAS	1	Non finalization of enquiry cases	-
6		2	Unjustified Expenditure on Account of POL without Driver	0.723
7		3	Doubtful expenditure / Likely misappropriation of funds on account of contingency bill	0.387
8		4	Loss to Government due to Irregular Drawl of Irrelevant allowance	0.226
9		8	Doubtful payment of Encashment bill	0.652
10	Dy. DEO (EE-M) MND	1	Unauthorized payment of conveyance allowance during vacation periods	0.007
11		2	Doubtful expenditure on repair of machinery and furniture	0.019
12		3	Un-authorized / doubtful expenditure on account of purchase of coal and ice	0.037
13		4	Non verification of deposit of Sales Tax on purchases	0.041
14	Dy. DEO (EE-M) HND	1	Loss to Govt. due to Unjustified Payment of Irrelevant Allowances	0.011
15		2	Loss to Govt. due to Purchase of POL at Higher Rates than the Rates Fixed by OGRA	0.002
16		3	Loss to Govt. due to Unjustified Payment of "Inspection Allowance"	0.070
17		4	Irregular Payment of TA/DA from Office Budget	0.011
18		5	Loss to Govt. due to Showing Higher Rates of Store Items	0.006
19		6	Loss to Govt. due to Irregular Maintenance of Stock Register	0.137

Sr. No.	DDOs	Para No.	Subject	Amount
20		7	Loss to Govt. Treasury due to Un-Justified Drawl of Conveyance Allowance during Leave Period	0.013
21	Dy. DEO (EE-W) FAS	20	Fraudulent drawl of double payment	0.600
22	District Officer (M-EE) Bahawalnagar	1	Non accountal into stock	0.487
23		2	Doubtful expenditure on repair of vehicles	0.035
24		3	Excess charging of rates of POL than the rates given on OGRA web sites	0.004
25		4	Non verification of deposit of Sales Tax on purchases	0.513
26		5	Doubtful expenditure on repair of machinery and furniture	0.074
27		6	Loss to Government due to misappropriation of used mobil oil	0.012
28		7	Unjustified withdrawal of POL without approved tour programmes on monthly basis	0.211
29		8	Unjustified expenditure on photo copies	0.084
30	Dy. DEO (EE-W) HND	1	Irregular award of advance increments to ESTs on account of B.Ed& M.A	0.103
31		2	Loss to govt. treasury due to un-justified expenditure regarding repair of school buildings	0.840
32		3	Loss to govt. due to non-deduction of provincial sales tax on services and Income Tax	0.052
33		4	Transfer of government schools to private sector due to weak performance of teachers and expenditure from NSB, pay and allowances	2.939
34		5	Variation in Expenditure of Pay & Allowances	348.687
35		7	Irregular Appointment as PET and payment of pay and allowances	0.181
36		8	Irregular overage appointment against the policy and writ petition	0.099
37		9	Un-authorized payment of qualification allowance	0.036
38		10	Unauthorized Payment of Charge Allowance during	0.024
39		12	Doubtful drawl of TA/DA and non-availability of Record	0.155
40		13	Loss to Govt. due to non-availability of consumption record	0.090
41		14	Unjustified drawl of Inspection Allowance	0.796
42		15	Loss to govt. due to payments on higher rates	0.120
43		16	Excess drawl of pay and allowances	0.031
44		17	Drawl of pay and allowance after transfer and retirement	0.103

District Education Authority, Bahawalpur

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
1	CEO (DEA) BWP	8	Loss due to running of unregistered private schools	0.66
2	Govt. Technical High School, BWP	3	Irregular expenditure without sanctions by DDO	0.771
3		4	Unjustified expenditure without any demands	0.279
4		5	Loss due to Non accountal of various store items	0.13
5		7	Unjustified expenditure on account of repair of furniture	0.119
6		8	Irregular expenditure on account of repair works	0.412
7		10	Non auction and deterioration of Government Properties	-
8		13	Non-collection of proof of Sales Tax from Firms	0.141
9		DEO (EE-W) BWP	8	Loss due to Misappropriation of Funds through Doubtful Billing
10		9	Loss due to Showing Higher Rates of Store Items	0.013
11	Special Education Center, APE	5	Loss due to Non Deposit of Sale Proceed of Used Mobil Oil	0.028
12		7	Loss due to Showing Higher Rates of Store Items	0.043
13	Special Education Degree College, BWP	2	Loss due to non deduction of various allowances from occupants of Government residences within office's premises	0.091
14		8	Loss due to Purchase of POL at Higher Rates than the Rates Fixed by OGRA	0.145
15		9	Loss due to Non Deposit of Sale Proceed of Used Mobil Oil	0.04
16		10	Loss due to Misappropriation of Funds through Doubtful Billing	0.362
17		11	Loss due to Showing Higher Rates of Store Items	0.061
18		12	Misclassification of expenditure	0.031
19	DEO (SE) BWP	6	Loss to Govt. due to Non Imposing Penalty to Contractors for Late delivery of IT Equipment	0.171
20		7	Difference in issued Stock to end user	0.845
21		8	Unjustified expenditure on account of stationery	1.037
22	Dy. DEO (EE-W) BWP City	3	Irregular Expenditure on Purchase of Stationary	0.196
23		9	Wasteful Expenditure of Earth Work / Filling	0.075
24		10	Doubtful Expenditure out of NSB On account of Uniform	0.191
25		13	Unauthorized Appointment and Re-appointment of Terminated staff	0.505

Sr. No.	DDOs	Para No.	Subject	Amount
26		14	Non-Deduction of Punjab Sales Tax on repair & maintenance	0.102
27		15	Likely Misappropriation of funds due to purchase of building material without any consumption record	0.348
28		16	Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA	0.009
29		18	Misappropriation of funds on distribution of stipend loss in thousand	-
30	GGHSS Khanqah Shareef	6	Loss to Government due to irregular award of Advance Increments	0.619
31		8	Irregular expenditure on purchase of furniture	0.195
32	GGHSS Mubarak Pur	2	Irregular expenditure on purchase of durable goods	0.135
33		12	Loss to Government due to irregular award of Advance Increments	0.639
34		15	Unauthorized up-gradation of scale	0
35		16	Irregular payment of Conveyance Allowance during winter vocation	0.254
36	GHSS Channi Goth	4	Irregular awards of advance increments to elementary school teachers on account of B. Ed & M.A recovery	0.097
37		11	Non-compliance of previous audit report	-
38	Dy. DEO (EE-M) Hasilpur	4	Recovery on account of late deposit of Medical Certification	0.703
39		5	Unauthorized excess withdrawal of pay and allowance after regularization	0.469
40		7	Non finalization of inquiry decision regarding theft of trees	0.2
41		9	Loss due to payment of inadmissible allowances	0.24
42		10	Excess payment of Sales Tax	0.47
43	GGHS Multani Gate, BWP	1	Loss to govt. due to payment of conveyance allowance during leave period	0.064
44		2	Unauthorized payment of mobility allowance during winter vocation	0.195
45		3	Irregular purchases from the black listed firm	0.154
46		4	Excess payment of Sales Tax	0.032
47		6	Doubtful expenditure on repair of machinery and furniture	0.291
48		7	Loss due to payment of inadmissible allowances	0.011
49	Dy. DEO (EE-M) BWP City	9	Non action against the person involved in nefarious activities	0.052
50		10	Unjustified payment of inspection allowance	0.03
51		11	Loss due to payment of inadmissible allowances	0.116

Sr. No.	DDOs	Para No.	Subject	Amount
52		12	Overpayment of Charge Allowance	0.06
53		13	Loss due to overpayment of HRA	0.058
54		4	Overpayment of Charge Allowance	0.574
55	Dy. DEO (EE-M) Yazman	6	Loss due to payment of inadmissible allowances	0.045
56		7	Loss due to unauthorized award of advance increments	0.247
57		11	Unjustified expenditure on HRA	0.042
58	Dy. DEO (EE-W) Khairpur Tamewali	3	Loss due to payment of SSB after regularization	0.164
59		4	Unjustified payment of salary after resignation of employees	0.055
60		7	Overpayment of Charge Allowance	0.06
61		11	Loss due to payment of inadmissible allowances	0.016

District Education Authority, Rahim Yar Khan

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
1	CEO (DEA) RYK	1	Award of contract to self-favored firm without participation in bidding	2.378
2		4	Lapse of funds	78
3		6	Loss due to non deduction of LD charges for late supplies and wrong calculations	0.122
4		7	Loss due to non-deduction of CA despite designated vehicles	0.17
5		8	Unauthorized release of supplementary grant in violation of Austerity Measures	5.985
6		14	Unjustified payment of SSB	6.48
7		16	Irregular drawl of TA/DA without approval	0.092
8		19	Non disbursement of money of 1st Quarter 2016	0.61
9		20	Non finalization of pending enquiries	-
10		22	Short supply of furniture and payment without imposing penalty	0.33
11		23	Non taking of actions against the teachers involved in Harassments	-
12		25	Non-compliance of observations issued in previous year Audit	-
13	DEO (SE) RYK	4	Loss due to unauthorized drawl of HRA and C.A	0.133
14		5	Loss due to excessive expenditure on Inspection Allowance	0.06
15		7	Unjustified consumption of POL	0.042

Sr. No.	DDOs	Para No.	Subject	Amount
16		8	Misclassification of expenditure	0.096
17		9	Unjustified expenditure on repair of Vehicle	0.293
18		10	Unjustified Expenditure through Fictitious Billing	0.156
19		11	Unjustified expenditure on purchase of stationery	0.622
20		12	Non auction of Scrap	0.05
21		5	Doubtful expenditure on repair of vehicles	0.96
22	DEO (EE-M) Rahim Yar Khan	7	Unauthorized excess withdrawal of pay and allowances after regularization	0.092
23		9	Unjustified expenditure on photo copies	1.068
24		10	Doubtful expenditure on repair of machinery and furniture	0.849
25		12	Loss to Government due to misappropriation of used mobil oil	0.029
26		13	Misappropriation of POL costing	0.02
27		14	Non verification of deposit of Sales Tax on purchases	0.62
28		4	Overpayment of on account of qualification allowance	0.106
29	Dy. DEO (EE-M) Rahim Yar Khan	9	Irregular expenditure of Rs. 15.102 million due to appointment during ban period	15.102
30		10	Unauthorized withdrawal on construction work	3.365
31		11	Release of salaries Rs. 15.266 million without approved medical fitness certificates from medical board	15.266
32		17	Unjustified retention of cash in hand of NSB funds	3.728
33		18	Irregular award of advance increments to elementary school teachers on account of B.Ed & M.A. recovery	0.353
34		19	Irregular Grant of Advance Increments to F.A PTC Teacher Recovery	0.124
35		20	Release of pay Rs. 3.372 million before verification of academic degrees	3.372
36		21	Overpayment of Rs. 88,000 on account of charge allowance	0.088
37		22	Non-compliance of observations issued in previous year Audit	-
38		Dy. DEO (EE-W) Rahim Yar Khan	4	Overpayment of Rs.119,405 due to irregular award of Advance Increment
39	5		Overpayment of on account of qualification allowance	0.564
40	9		Irregular expenditure of Rs. 6.795 million due to appointment during ban period and accepting in-valid medical fitness certificate	6.795
41	10		Release of pay Rs. 3.190 million before verification of academic degrees	3.19
42	13		Irregular Grant of Advance Increments to F.A PTC Teacher Recovery	0.373
43	15		Irregular award of advance increments to elementary school teachers on account of B.Ed & M.A. recovery	0.141
44	17		Loss to Government Rs. 233,834 due to non provision of	0.234

Sr. No.	DDOs	Para No.	Subject	Amount
			released funds	
45		18	Unjustified advance payment	1.054
46		20	Overpayment of Rs. 30,000 on account of Charge Allowance	0.007
47		22	Doubtful drawl of funds on fictitious bills	0.218
48		23	Loss due to excess payment of Income & Sales Tax	0.473
49		24	Non-compliance of observations issued in previous year Audit	-
50	Dy. DEO (EE-W) Liaqat Pur	1	Suspected misappropriation in NSB funds	0.507
51		2	Doubtful expenditure by preparing fictitious cash book	0.647
52		9	Unauthorized payment of pay and allowances after death of employees	0.495
53		13	Non deduction of Income tax on repair expenditure	0.892
54		17	Irregular maintenance of cash books by schools	0.541
55		24	Unjustified expenditure on account of repair works	0.05
56		25	Doubtful/Unjustified expenditure without any demands	0.78
57		26	Non-collection of proof of Sales Tax from Firms	0.093
58		27	Non-compliance of observations issued in previous year Audit	-
59	Dy. DEO (EE-M) Liaqat Pur	1	Overpayment of DTE allowance	0.101
60		4	Irregular transfer of NSB to shelter less schools	3.601
61		5	Misappropriation on account of repair of vehicle	0.077
62		6	Unjustified expenditure on civil work by schools of demolish buildings Rs 3.394 million	3.394
63		8	Doubtful expenditure on purchase and issuance of stock	0.706
64		12	Non accountal into stock	0.957
65		15	Non recovery of penalties imposed by the competent authorities	0.101
66		18	Un-authentic of purchase of assets	0.399
67		19	Loss to government due to payment of taxes out of school fund	0.109
68		20	Blockage of Government Money due to Non-utilization of NSB Fund	9.53
69		22	Un-authorized payment of qualification allowance	1.068
70		23	Unauthorized Payment of Charge Allowance to AEOs recovery	0.143
71		24	Unauthorized Payment of Charge Allowance recovery	0.498
72		25	Loss to govt. due to payments on higher rates	2.245
73		28	Loss due to unauthorized grant of Conveyance Allowance	0.06
74		30	Unauthorized payment of pay and allowances during EOL period	0.058
75	32	Non verification of expenditure statements from DAO	721.469	
76	Dy. DEO (EE-W) Sadiq Abad	2	Loss due to unauthorized payment of salary during the period of EOL	0.152

Sr. No.	DDOs	Para No.	Subject	Amount	
77		8	Payment of salary to absent employees	0.437	
78		10	Unauthorized expenditure on account of GST Tax	0.261	
79		13	Unjustified expenditure on repair of IT equipment's	0.05	
80	GGHSS Chak 1/P, Khan Pur	3	Un-justified expenditure of exhibition fairs and other national celebration	0.129	
81		4	Un-justified expenditure of hot & cold	0.079	
82		5	Fictitious / bogus billing of different heads	0.145	
83		7	Loss to government due to paid on higher rates	0.182	
84		8	Unjustified expenditure of various heads	0.082	
85		9	Irregular awards of advance increments to elementary school teachers on account of B. Ed & M.A recovery	0.223	
86		10	Non-accountal into stock registers of consumable items	0.115	
87		11	Unjustified payment of arrear in utilities bills –	0.056	
88		12	Non-auction of dry trees	0.105	
89		13	Unjustified payment of irrelevant allowance,	0.022	
90		15	Doubtful payments of repair and maintenance without maintenance of history sheet registers	0.375	
91		16	Improper maintenance of stock registers	0.647	
92		17	Un-justified expenditure due to without signature from school council members	1.856	
93		GGHSS Model, Khan Pur	5	Loss to government due to paid on higher rates	0.138
94			8	Non finalization of show cause notice due to non-performing of official duty and recovery of pay and allowance	0.329
95			9	Un-authorized drawl of pay & allowances after regularization	0.013
96			12	Purchase of POL without observing the OGRA rates and non-deduction of GST	0.176
97	16		Unjustified payments of repair & maintenance of bus	1.49	
98	17		Un-authorized drawl of TA/DA and non-production of bill	0.156	
99	18		Un-authorized purchase of POL from unregistered petro pump	1.432	
100	19		Irregular awards of advance increments to elementary school teachers on account of B. Ed & M.A recovery	0.193	
101	21		Non-accountal into stock of consumable items	0.068	
102	22		Doubtful expenditure on hot & coal	0.1	
103	23		Un-justified expenditure of exhibition fairs and other national celebration	0.122	
104	24		Un-justified expenditure of different accounting head	0.079	
105	25		Un-justified expenditure due to without signature from school council members	2.632	
106	26		Non disposal of used Mobil oil	0.035	
107	28		Doubtful payments of repair and maintenance without maintenance of history sheet registers	1.811	

Sr. No.	DDOs	Para No.	Subject	Amount
108		29	Non finalization of enquiry	-
109		30	Improper maintenance of stock registers	0.769
110		31	Expenditure incurred without budget granted	0.503
111		32	Non-compliance of previous audit report	-
112	GGHS Jinnah Park, RYK	1	Loss to government due to payment of conveyance allowance during winter vacations	0.133
113		2	Loss to government due to drawl of conveyance allowance during earned leave	0.022
114		5	Doubtful payments of repair and maintenance without maintenance of history sheet registers	0.134
115		6	Improper maintenance of stock registers	0.408
116		8	Irregular payment of pay & allowances	0.56
117		9	Non-compliance of previous audit report	-
118		11	Unjustified / fictitious billing of various heads	0.12
119		13	Irregular awards of advance increments to elementary school teachers on account of B. Ed recovery	0.338
120		14	Unjustified payment of repair of building	0.3
121		GGHS Senior Muslim, RYK	2	Irregular less deduction of withholding GST from supplier's bills
122	3		Loss due to non deposit of GST by suppliers	0.158
123	5		Loss due to Misappropriation of Funds through Doubtful / Fictitious Billing	1.685
124	6		Doubtful consumption of store items by maintaining improper disbursement record of store items	0.997
125	7		Loss due to non auctioning of old / unserviceable stock and dry trees	0.15
126	8		Loss due to non deduction of pay & allowances against leave without pay	0.053
127	10		Irregular award of advance Increments to school teacher	0.101
128			2	Deterioration of Government property due to non auction
129	GBHS Bagho Bahar, RYK	5	Excess payment of Sales Tax	0.009
130		7	Doubtful expenditure on repair of machinery and furniture	0.494
131		9	Non verification of deposit of Sales Tax on purchases	0.181
132	GGHSS Feroza, LQP	4	Deterioration of Government property due to non auction	0.05
133		5	Excess payment of Sales Tax	0.028
134		6	Improper maintenance of stock registers	0.146
135		7	Doubtful expenditure on repair of machinery, furniture and building	0.945
136		8	Uneconomical expenditure without quotations	0.2
137		9	Unauthorized excess withdrawal of pay and allowance after regularization	0.1
138		11	Non verification of deposit of Sales Tax on purchases	0.392

Sr. No.	DDOs	Para No.	Subject	Amount
139		12	Loss due to unauthorized award of advance increments	0.248
140		13	Unauthorized payment of travelling allowance	0.102
141		14	Irregular and unjustified expenditure on school functions	0.04
142	GGHS Noor-e-Wali, RYK	2	Doubtful distribution of Educational Books	0.498
143		4	Unjustified Expenditure on Account of Advertisement	0.114
144		6	Unjustified Expenditure on Plantation	0.077
145		7	Unauthorized Expenditure on Advance Increments of B. Ed	0.639
146		8	Loss to Government due to payment of irrelevant allowance during Leave Period	0.041
147		9	Non Deduction Advance Increment To F.A 3RD Division To PTC Teacher	0.094
148		10	Doubtful payment to students on account of stipends	0.479
149		11	Un-sound Budgeting / Non-surrender of Anticipated Savings	0.265
150	Special Education Center, Khan Pur	1	Un-authorized drawl of pay and allowances without performing duties	1.215
151		5	Irregular purchase of Uniform from default supplier	0.058
152		9	Doubtful Expenditure on Advertisement	0.02
153		11	Non-deposit of GST into Government Treasury	0.047
154		12	Loss to govt. due to Non Compliance of Audit Observation of Previous period	1.472
155		15	Fraudulent drawl of fund for changing Mobil-oil	0.48
156		16	Misclassification of expenditure	0.679
157		17	Loss to Govt. due to Misappropriation of Used Mobil Oil,	0.022
158		18	Loss due to non-allotment of designated residences	0.213
159		21	Non-recovery of repair & maintenance charges	0.04
160		22	Doubtful Expenditure on Diet of few Hostel Students	0.679
161		25	Un-authorized drawl of allowances during leave period	0.037
162		26	Doubtful Expenditure on Uniform of Students	0.72
163		29	Doubtful purchase of Uniform from default supplier	0.392
164		31	Unauthorized Payment of Mobility / Conveyance allowance during Winter vocation periods	0.003
165		33	Non-deposit of GST into Government Treasury	0.069
166		34	Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA	0.02
167		35	Wrong reporting of Cost Center Description / DDO Account in SAP	5.338
168	37	Non-Submission of Working Papers of previous Audit period	-	

D.G.Khan

(Rupees in million)

Name of formations	Sr. No.	Para No.	Subject	Amount
CEO (Education)	1	10	Un-scrutinized expenditure due to non-production of Logbook	0.043
	2	11	Unauthorized provision of supplementary grants	398.998
	3	16	Un-justified budget allocation	284.911
	4	18	Unjustified drawl of TA/DA and non-deposited of GST	0.035
	5	19	Unjustified allocation budget	0.033
	6	20	Excess expenditure than allocated of budget	0.159
	7	21	Overpayment due to excessive use of steel	0.229
	8	23	Overpayment on account of use of local sand	0.794
	9	24	Unjustified execution of soling	0.093
	10	25	Loss due to unjustified deduction of old material	0.043
	11	30	Overpayment due to excessive use of steel	0.208
Dy.DEO (EE-M) D.G.Khan	12	8	Recovery on account of pay & allowances due to irregular grant of BS-09 to P.T.C teachers	0.279
	13	10	Misappropriation on account of NSB fund	0.095
	14	17	Overpayment due to non-fixation of basic pay	0.074
GGHSS Gaddai	15	11	Overpayment due to irregular award of annual increments due leave without recovery	0.022
	16	12	Recovery of pay & allowance due to payment of salary during leave	0.153
	17	11	Overpayment due to irregular award of annual increments due leave without recovery	0.022
	18	12	Recovery of pay & allowance due to payment of salary during leave	0.153
Dy.DEO (EE-W) D.G.Khan	19	2	Unauthorized withdrawal of pay and allowances during absent period and after termination of contract	0.243
	20	4	Unauthorized drawl of pay and allowance from cost centre without performing duties in this office	0.659
	21	14	Unauthorized payment of qualification allowance to ET BPS-16	0.043
	22	16	Less deduction of group insurance from employees salaries	0.131
Dy.DEO (EE-W) Taunsa	23	3	Overpayment Due To Non-Adjustment Of Ara-2016 And Ara-2017 After Regularization	0.047
	24	6	Dual payment on account of pay & allowances	0.028
	25	13	Overpayment on account of qualification allowance To ESE/SSE/SESE	0.286

Name of formations	Sr. No.	Para No.	Subject	Amount
	26	15	Drawl of salary during the period of leave without pay	0.143
	27	17	Non-recovery of overpayment	0.032
	28	20	Less deduction of group insurance from employees salaries	0.119
	29	22	Non-recovery of G.P fund upon regularization of services	0.528
	30	23	Overpayment on account of Pay & Allowances	0.109
	31	24	Unauthorized drawl of pay and allowance for the PST having bs-7	0.426
	32	26	Unauthorized payment of Pay and Allowances	0.694
	33	29	Overpayment on account of Pay & Allowances	0.057
	34	31	Overpayment Due To Grant Of Annual Increment Without Completing Six Month Service	0.123
	35	32	Un-authorized payment of previous years liabilities	0.021
	36	33	Irregular expenditure on repair of vehicle	0.048
GGHSS Shahdan Lund	37	3	Recovery of un authorized payment during absent period	0.021
	38	4	Drawl of salary during the period of leave without pay	0.130
	39	10	Recovery Of Overpayment Due To Non-Fixation Of Basic Pay	0.047
	40	14	Non-production of record	--
Headmaster city High School D.G.Khan	41	2	Un-authorized allocation of budget without sanctioned posts	4.603
	42	4	Overpayment due to unjustified award of double benefit against the same qualification	0.139
	43	8	Recovery on account of unauthorized payment of advance increment	0.053
Dy.DEO (EE-M) Kot Chutta	44	3	Overpayment on account of 45% house rent allowance	0.023
	45	7	Un-authorized payment of previous years liabilities	0.079
	46	9	Overpayment due to payment of higher rates of POL than notified by OGRA	0.005
	47	13	Overpayment due to unjustified adjustment	0.062
	48	14	Recovery on account of unauthorized payment of advance increment	0.056
	49	17	Unjustified and irregular expenditure	0.052
Dy.DEO (EE-W) Kot	50	6	Overpayment due to drawal of pay during leave without pay	0.077

Name of formations	Sr. No.	Para No.	Subject	Amount
Chutta	51	8	Loss due to non-deduction of G.P. Fund upon regularization of servicers	0.069
	52	17	Non-credit fund after released of budget	0.649
	53	18	Overpayment of on account of annual increment	0.032
Headmistress GGHS Vehova	54	5	Recovery owing to acquiring double benefit against the same qualification	0.078
	55	13	Unjustified purchase of store items	0.219
	56	14	Irregular expenditure due to without approval of finance department	0.360
Headmistress GGHS Nutkani	57	1	Recovery on account of unauthorized payment of advance increments	0.052
	58	7	Non-utilization of equipment purchased for vocational training	0.274
Headmistress GGHS Sakhi Sarwar	59	5	Overpayment Due To Irregular Award Of Qualification Allowance	0.159
	60	9	Un-authorized payment against weather shield	0.069
	61	10	Expenditure on repair and maintenance of building without estimate and measurement	0.149
	62	13	Overpayment due to non-adjustment of ARA-2016 after regularization	0.009
Dy.DEO (EE-M) Taunsa	63	2	Recovery Of Overpayment Due To Non-Fixation Of Basic Pay	0.156
	64	3	Non-refund of one month salary after termination of contract	0.186
	65	13	Non-refund of salary during the period of leave without pay	0.108
	66	14	Withdrawl of pay and allowances by the absconded teachers for absent period	0.166
	67	20	Expenditure on payment of salaries to temporary teachers out of NSB grant	0.250
	68	23	Un-authorized payment of previous years liabilities	0.037
	69	24	Overpayment due to payment of higher rates of POL than notified by OGRA	0.008
Headmistress Government Girls High Kot Chutta	70	3	Irregular incurrence of development expenditure without detailed design and specifications	0.600
	71	4	Doubtful expenditure on rewinding of fans.	0.094
	72	6	Payment of pay & allowance without verification of degree	0.396
	73	11	Overpayment due to payment of higher rates of POL than notified by OGRA	0.008

Name of formations	Sr. No.	Para No.	Subject	Amount
Headmistress GGHS Yaroo	74	4	Recovery of un authorized payment of salaries after regularization	0.102
	75	5	Irregular expenditure due to without approval of finance department	0.507
	76	6	Expenditure on repair and maintenance of building without estimate and measurement	0.174
	77	7	Unauthorized auction of old building	0.240
	78	9	Unauthorized drawls of library security	0.138

Layyah

(Rupees in million)

Name of formations	Sr. No.	Para no.	Subject	Amount
CEO (DEA)	1	1	Misappropriation due to double payment	0.116
	2	3	Mis-appropriation of POL	0.129
	3	5	Doubtful consumption/utilization of stores items due to non-accountal	0.127
	4	6	Unauthorized payments to contractors out of district education authorities funds without pre-audit	58.183
	5	7	Inauthentic payment due to doubtful measurement of measurement book	0.026
	6	9	Rush of expenditure under grant no. 36 at the close of financial year 2017-18	33.781
	7	11	Overpayment on account of use of local sand	0.794
	8	14	Inauthentic measurement of work	0.965
	9	16	Doubtful payment chances of fraud	0.241
	10	17	Overpayment due to unjustified payment of razor wire cut	0.074
	11	23	Expenditure on repair of vehicles	0.189
	12	24	Unauthorized retention of public money into account of DDO	26.227
	13	25	Purchase of stationery without tender advertisement	0.127
	14	26	Unauthorized provision of supplementary grants	8.330
	15	27	Un-justified budget allocation and incurrence of expenditure	108.958
	16	28	Excess expenditure than allocated of budget	538.168
	17	29	Fictitious maintenance of cash book unauthentic payments	17.855
	18	30	Non-maintenance of SDA A/c cash book unauthentic payments	20.376

Name of formations	Sr. No.	Para no.	Subject	Amount
	19	31	Unjustified expenditure on account of photocopies	0.070
	20	32	Non-maintenance of check measurement books expenditure incurred	58.183
	21	33	Unjustified drawl of TA/DA and hotel charges, recovery of GST	0.083
	22	37	Inauthentic payment due to non-execution of work	0.532
	23	39	Inauthentic payment due to non-execution of work	0.532
	24	40	Loss to government due to non-transfer of tax	0.581
Dy. DEO (EE-W) Layyah	25	1	Over drawl against pay and allowances	0.137
	26	11	Unauthorized retention of public money at the close of financial year	6.786
	27	17	Misappropriation of NSB	0.090
Dy. DEO (EE-W) Karor	28	7	Un-authorized drawl of charge allowance	0.162
	29	14	Doubtful expenditure on repair of vehicle and POL	0.343
	30	15	Unauthorized payment of pay and allowances during leave	0.097
	31	17	Misappropriation of NSB fund	0.564
	32	18	Misappropriation of NSB fund	0.932
Dy. DEO (EE-M) Layyah	33	1	Unauthorized withdrawal of pay after resignation from service	0.077
	34	16	Less deduction of group insurance from employees salaries	0.149
	35	19	Unjustified payment of salaries without verification of degrees/academic record	51.747
	36	24	Unauthorized payment of qualification allowance to ESE/SESE	0.015
	37	28	Misappropriation/doubtful drawl on account of uniform to students	0.032
	38	29	Misappropriation out of NSB fund	0.127
GGHS Karor	39	3	Recovery owing to acquiring double benefit against the same qualification	0.241
	40	4	Recovery owing to acquiring double benefit against the same qualification	0.286
	41	5	Recovery owing to acquiring double benefit against the same qualification	0.247
	42	8	Recovery against inadmissible pay and allowance	0.052
	43	12	Unjustified purchase of store items	0.195
Dy. DEO (EE-W) Choubara	44	6	Unauthorized payment of salaries during leave without pay	0.079
	45	14	Unauthorized allowing of increments	0.053

Name of formations	Sr. No.	Para no.	Subject	Amount
	46	19	Non-recovery of G.P fund upon regularization of services	0.304
DEO (EE-W) Layyah	47	4	Overpayment owing to excess drawl of POL	0.125
	48	6	Irregular expenditure against TA/DA	0.102
	49	9	Un-authorized payment of previous year liabilities	0.058
Dy. DEO (EE-M) Choubara	50	17	Shortage of government vehicle	0.800
	51	20	Overpayment due to irregular award of Bs-9	0.093
	52	22	Unauthorized award of 2 advance increment and Bs-9 on acquiring same qualification recovery	0.114
	53	25	Un-authorized / invalid expenditure against vehicle not owned by Dy DEO Choubara	0.077
Dy. DEO (EE-M) Karor	54	15	Unauthorized payment of fixed basic pay of inadmissible allowances	0.050
	55	17	Unauthorized drawl of pay & allowances	0.416
	56	20	Shortage of government vehicle	0.500
	57	21	Overpayment on account of qualification allowance	0.066
	58	22	Recovery due to unjustified payment of of qualification allowance	0.016
	59	25	Un-authorized payment of outstanding liabilities	0.129
	60	26	Doubtful consumption of POL due to non-production of logbooks	0.249
	61	27	Un-authorized / invalid expenditure against vehicle not owned by Dy DEO Choubara	0.207
	62	30	Expenditure without store entry	0.518
	63	32	Unjustified Payment of GST/Income Tax of Last Year	0.824
	64	33	Unjustified transferred and drawl out of NSB Fund and Chances of Misappropriation	0.497
	65	34	Non-Production of Record of NSB Fund	-
HM Special Education Center Layyah	66	3	Recovery of unauthorized payment of conveyance allowance during leave on full pay	0.005
	67	6	Doubtful issuance of store	0.221
	68	7	Doubtful consumption of POL	0.834
	69	8	Un-authorized / invalid expenditure on advertisement against other formation	0.072
	70	13	Loss of govt. Due to misappropriation of POL	0.018
	71	14	Un-authorized payment of previous years liabilities	0.100
	72	15	Overpayment due to payment of higher rates of pol than notified by OGRA	0.021
	73	17	Misclassification of expenditure	0.061
	74	18	Less deduction of group insurance from employees	0.012

Name of formations	Sr. No.	Para no.	Subject	Amount
			salaries	
GBHS Karor	75	3	Poor performance due to results below board without any action	-
	76	4	Drawal of amount without any proof of activity (scouts) rs.43,450	0.043
	77	7	Non-verification of GST paid to supplier	0.040
	78	9	Unauthorized expenditure without estimate and measurement	0.942
GHS Chowk Azam	79	2	Unjustified expenditure on repairs of buildings	2.664
	80	3	Unjustified expenditure on repair of furniture	0.436
	81	4	Unjustified expenditure on repairs of machinery and equipment	0.305
	82	7	Irregular award of B.Ed/ M.A. Increments to middle school teachers recovery	0.811
GGHS Sugar Mills	83	6	Recovery due to acquiring double benefit against the same qualification	0.287
	84	7	Recovery due to unauthorized payment of advance increment	0.052
	85	8	Unauthorized payment of salaries during absent/leave without pay	0.085
	86	9	Overpayment of qualification allowance	0.025
	87	12	Non-recovery of G.P fund advance drawn by the employees since long	0.495
	88	13	Unjustified payment of salaries without verification of degrees /academic record	5.088
	89	14	Unauthorized drawl of pay and allowance from cos center without performing duties in this office	0.315
	90	15	Unjustified expenditure on civil works without TS /MB and advertisement	0.360
GHSS Jaman Shah	91	6	Unjustified payment of charge allowance	0.005
	92	11	Unauthorized retention of public money into DDO account	0.413
GHSS Ladhana	93	11	Non-Recovery of G.P Fund Advance Drawn by the employees since long	0.356
	94	12	Overpayment of Pay and allowances to Subject Specialists after regularization of service	0.036
	95	14	Unjustified payment of Salaries without verification of Degrees /Academic Record	4.515
	96	15	Unauthorized drawl of Pay and allowances without performing duties in this office	0.044

Name of formations	Sr. No.	Para no.	Subject	Amount
	97	18	Misappropriation of Cash drawn without actual expenditure /disbursement due to non-availability of purpose of expenditure	0.317
	98	19	Misappropriation of amount drawn without actual purchase and stock entry	0.052

Muzaffargarh

(Rupees in million)

Name of Formations	Sr. No.	Para No.	Subject	Amount
CEO (DEA)	1	5	Unauthentic acceptance of tender, Undue favor to the contractor by awarding work	1.974
	2	8	Overpayment Due to Excessive Use of Steel	0.130
	3	12	Overpayment due to payment of higher rates of POL than notified by OGRA	0.015
	4	13	Un-authorized expenditure on advertisement	0.059
	5	14	Unjustified Drawl of Hotel Charges , Recovery of GST	0.056
	6	16	Unjustified Expenditure on Account of Photocopies	0.354
	7	18	Overpayment of Salaries	0.055
	8	19	Loss due to Un-Authorized withdrawal of two increments	0.028
DEO (EE-W) Muzaffargarh	9	6	Non-recovery of over payment pointed out by DAO against basic pays	0.595
	10	18	Unjustified incurrence of expenditure on repair of Vehicle	0.300
	11	19	Doubtful Purchase and consumption of Store Items	0.724
	12	20	Non-accountal of Store Items	0.651
	13	21	Doubtful and Unjustified expenditure on repair newly purchased vehicle	0.253
	14	23	Overpayment owing to excess drawl of POL	0.665
	15	24	Overpayment due to Double withdrawal	0.019
	16	25	Expenditure on repair and maintenance of building without estimate and measurement	0.418
Dy.DEO (EE-M) Muzaffargarh	17	3	Loss due to Un-Authorized withdrawal of two increments	0.132
	18	6	Misclassification of expenditure	0.340
	19	10	Unjustified Drawl of Hotel Charges , Recovery of GST	0.014
	20	20	Unjustified payment of Salaries without verification of Degrees /Academic Record	55.678

Name of Formations	Sr. No.	Para No.	Subject	Amount
Dy.DEO (EE-W) Muzaffargarh	21	1	Unauthorized withdrawal of pay of ESE after Resignation from service	0.160
	22	3	Unauthorized payment of Pay And Allowances During Absent Period And After Termination of Contract	0.052
	23	11	Non-Recovery Of Penalty/Fine Imposed by the competent authority	0.399
	24	12	Less deduction of Group Insurance from employees salaries	0.169
	25	18	Unjustified payment of Salaries without verification of Degrees/Academic Record	46.775
	26	27	Misappropriation/doubtful drawl on account of uniform	0.567
Dy.DEO (EE-M) Kot Addu	27	10	Overpayment due to irregular award of BS-9	0.071
	28	27	Withdrawal of pay and allowances without posting and performing duties	0.644
Dy. DEO (EE-W) Alipur	29	9	Recovery of unauthorized payments of salaries to retired employees	0.105
	30	12	Non-Deposit of Fine imposed by authority due to willful absent from duty reported by MEAs Recovery	0.013
	31	14	Unjustified Payment of Salaries after removal from Service	0.484
	32	15	Unjustified payment of Salaries without verification of Degrees /Academic Record	37.344
	33	17	Un-authorized excess payment on purchase of tab and recovery	0.058
	34	20	Unauthorized drawl of pay and allowance for the PST having BS-9	6.212
Dy.DEO (EE-M) Jatoi	35	5	Unauthorized retention of Public Money into DDO Account	5.944
	36	7	Overpayment due to unjustified award of double benefit against same qualification	0.123
	37	8	Recovery on account of unauthorized payment of advance increment	0.156
	38	11	Unauthorized payment of inspection allowance to AEOs	1.261
	39	17	Overpayment due to unjustified awarding of annual increments	0.020

Name of Formations	Sr. No.	Para No.	Subject	Amount
	40	18	Overpayment due unjustified promotion/Up-gradation	0.030
	41	21	Non-recovery of penalty imposed during absent period	0.007
Dy.DEO (EE-M) Alipur	42	1	Likely misappropriation out of others due to higher rate of photocopies	0.031
	43	4	Unjustified Payment of POL against fictitious maintenance of logbook	
	44	5	Unjustified and irregular expenditure of	0.130
	45	8	Blockage of Government Money due to Non-utilization of NSB Fund	20.835
	46	9	Irregular incurrence of development expenditure without detailed design and specifications	0.600
	47	13	Un-authorized payment of previous years liabilities	0.033
	48	16	Overpayment due to unjustified adjustment of Rs.34,839	0.035
Dy.DEO (EE-W) Jatoi	49	13	Unauthorized retention of public money into account of DDO	2.023
	50	17	Doubtful expenditure on repair of vehicle and POL Rs 554861	0.555
	51	20	Misappropriation of NSB Fund	0.240
Headmistress GGHS Chowk Sarwar Shaheed	52	9	Recovery owing to acquiring double benefit against the same qualification	0.265
	53	10	Recovery owing to acquiring double benefit against the same qualification	0.287
	54	14	Overpayment on account of Pay and allowance	0.134
	55	15	Unjustified Purchase of Store Items	0.404
Headmaster GBHS Mehmood Kot	56	4	Recovery of overpayment on account of pay	0.043
	57	5	Recovery of overpayment due to wrong fixation of pay	0.786
	58	7	Unjustified payment of conveyance allowance drawn during lockup	0.035
	59	11	Uneconomic purchase of store Items	0.553
Dy.DEO (EE-W) Kot Addu	60	7	Less deduction of Group Insurance from employee's salaries	0.160
	61	10	Non-deposit of fine imposed by authority due to willful absence from duty	0.114
	62	24	Unauthorized allowing of annual increment	0.052
	63	25	Unauthorized allowing of two increments	0.020
	64	26	Unauthorized withdrawl of pay and allowances Rs	0.039

Name of Formations	Sr. No.	Para No.	Subject	Amount
			38,691	
Headmistress GGHS Mochi Wala	65	1	Unauthorized granted of Annual Increment	0.521
	66	4	Unauthorized Expenditure out of Purchase of Furniture	0.400
	67	11	Non-recovery of overpayment	0.063
	68	12	Unauthorized allowing of annual increment	0.082
Headmistress GGHS Mahra	69	4	Unjustified purchase of store items	0.102
	70	9	Recovery of unauthorized payment of Basic pay and allowances after regularization pointed out by DAO	0.018
	71	10	Payment of pay & allowance without verification of degree	1.096
	72	11	Improper Maintenance of Stock register with shortage of Items	0.081
Headmistress GGHS Belay Wala	73	4	Unauthorized payment of salaries during absent from duty	0.348
	74	7	Unjustified payment of Salaries without verification of Degrees/Academic Record	2.033
	75	13	Recovery of Unauthorized and Unjustified drawl of TA/DA	0.031

Rajanpur

(Rupees in million)

Name of formations	Sr. No.	Para No.	Subject	Amount
CEO (Education)	1	2	Doubtful payment on account of POL	0.370
	2	3	Unjustified drawl of hotel charges , recovery of GST	0.056
	3	5	Unjustified expenditure on account of photocopies	0.349
	4	7	Loss to Govt. due to non recovery of annual inspection fee from private registered schools	0.023
	5	8	Loss to Govt. due to non-recovery of registration fee from un-registered schools	0.431
	6	10	Non availability of proof of sales tax returns	0.170
	7	11	Non deduction of Provincial Sales Tax on services	0.054
	8	13	Misclassification of expenditure	0.050
DEO (SE) Rajanpur	9	8	Unjustified purchase of stationery/store items	0.117
	10	9	Unjustified consumption of POL	0.371
	11	10	Unjustified expenditure on account of electricity charges	0.441
	12	11	Non-verification of GST paid	0.072
	13	12	Loss due to non-recovery of Provincial Sales Tax on	0.068

Name of formations	Sr. No.	Para No.	Subject	Amount
			services	
	14	13	Doubtful expenditure on repair of vehicle	0.151
	15	14	Doubtful expenditure against plants and tentage service	0.129
	16	16	Unjustified consumption of POL and overpayment due to excess drawl	0.054
DY. DEO (EE-M) Rajapur	17	2	Non-depositing of GST/Income Tax	0.021
	18	8	Unjustified payment against contingent bills and recovery	0.015
	19	9	Less deduction of group insurance from employees salaries	0.039
	20	10	Blockage of Government money due to non-utilization of NSB fund	3.643
	21	14	Non-recovery of penalty imposed during absent period	0.089
DY. DEO (EE-W) Rajapur	22	4	Overpayment on account of qualification allowance to ESE and SESE	0.022
	23	6	Less deduction of Group Insurance from employee's salaries	0.085
	24	7	Unauthorized drawl of pay and allowance for the PST having BS-7	0.827
	25	9	Irregular drawal of science teaching & other allowance not inadmissible	0.025
	26	19	Recovery due to purchase of tablet on higher rate	0.072
	27	20	Loss to Government due to non-production of Sales Tax Return	0.083
DY. DEO (EE-M) Jampur	28	6	Overpayment on account of qualification allowance to ESE and SESE	0.049
	29	14	Unauthorized drawl of pay and allowance for the PST having BS-7	0.405
	30	16	Unauthorized drawl of inadmissible allowances	0.440
	31	18	Unauthorized allowing of annual increment without completing six month service	0.239
DY. DEO (EE-W) Jampur	32	3	Non-depositing of GST/income tax	0.029
	33	7	Unjustified & irregular payment against contingent bills	0.168
	34	9	Un-authorized appointments of P.T.C teachers without prescribed academic qualification	1.440
	35	10	Less deduction of group insurance from employees salaries	0.042
	36	11	Blockage of government money due to non-utilization of NSB fund	2.921

Name of formations	Sr. No.	Para No.	Subject	Amount
	37	13	Overpayment due to unjustified drawals of allowances	0.038
	38	14	Non-recovery of penalty imposed during absent period	0.033
DY. DEO (EE-M) Rojhan	39	9	Overpayment on account of qualification allowance to ESE and SESE	0.022
	40	10	Overpayment due to irregular award of qualification allowance	0.055
	41	11	Less deduction of Group Insurance from employee's salaries	0.040
	42	12	Unauthorized drawl of pay and allowance for the Chowkidar & PST having BS-7	0.914
	43	13	Unauthorized payment of integrated Allowance to the employees not admissible	0.011
	44	19	Less deduction of Group Insurance from employee's salaries	0.088
DY. DEO (EE-W) Rojhan	45	10	Non-recovery of penalty/fine imposed during absent period	0.047
	46	15	Unauthorized payment of integrated allowance to the employees not admissible	0.022
	47	16	Doubtful expenditure on purchase of POL due to non-production of logbooks	0.404
	48	20	Payment of salaries after transfer	3.106
	49	21	Overpayment due to irregular award of qualification allowance	0.103
	50	24	Non-deduction/verification of GST paid	0.071
	51	26	Non-deduction of income tax	0.072
HM GGHS Harrant	52	6	Unjustified payment of salaries without verification of degrees /academic record	3.210
	53	7	Unauthorized payment of salaries during absent from duty	0.248
	54	8	Unauthorized drawl of pay and allowances during showing exam duty without NOC and written orders by the competent authority	0.495
HM GHS Muhammad Pur	55	2	Unjustified expenditure on repairs of buildings	0.556
	56	3	Unjustified expenditure on repair of furniture, machinery and equipment	0.237
	57	4	Non-deduction of Provincial Sales Tax on services	0.038
	58	12	Non-availability of proof of sales tax returns on purchases	2.200
	59	13	Misclassification of expenditure	0.043

Name of formations	Sr. No.	Para No.	Subject	Amount
HM GHS Allah Abad	60	3	Non-deduction of Provincial Sales Tax on services & deposit of GST	0.151
GGHSS Dajal	61	4	Expenditure on repair and maintenance of building without estimate and measurements	0.536
	62	5	Unauthorized auction of public assets	
	63	7	Unauthorized purchase of furniture and books	0.300
	64	11	Blockage of funds on purchase of multimedia	0.050
	65	12	Doubtful utilization of Government fund	0.173
	66	13	Doubtful expenditure out of Farooq e Taaleem Fund	0.190
GGHS Bukhara	67	4	Loss to government due to payment of income tax out of school fund	0.015
	68	5	Non-recovery of house rent allowance	0.018
	69	6	Non-recovery of 5% maintenance charges	0.030
GBHSS Tariq Shaheed Kot Mithan	70	12	Loss due to Non- deduction of Income tax	0.050
	71	14	Unjustified expenditure on account of repair of machinery and equipment	0.241
	72	15	Non-availability of proof of sales tax returns	0.374
HM Deaf & Defective Hearing School, Rajanpur	73	6	Likely misappropriation of on uniforms of drivers	0.050
	74	8	Unjustified and doubtful incurrence of expenditure on repair of vehicles	0.454
	75	9	Doubtful expenditure of POL	0.432

District Education Authorities, Faisalabad Region

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
District Education Authority, Chiniot				
1	Chief Executive Officer, District Education Authority, Chiniot	6	Unauthentic expenditure on development works	-
2		10	Loss of Government due to theft of vehicles	0.658
3		11	Loss to Govt. due to non-registration of private schools	0.603
4		14	Unauthentic financial data due to Difference in reconciled figures and SAP FI data	-
5	Deputy District Education Officer, (EE-M), Chiniot	2	Encroachment of Government Land	-
6		4	Loss to Government due to theft of vehicle	0.650
7		7	Theft of various items of school	0.109
8		8	Unauthorized expenditure on running of second shift in the Primary/Elementary Schools	0.579
9		10	Non-maintenance of record	0.971
10		11	Misuse of Government vehicle involving expenditure	0.094
11		13	Doubtful expenditure on repair of machinery and equipment	0.015
12		14	Suspicious / doubtful expenditure without supporting record	0.071
13	Deputy District Education Officer, (EE-M), Lalian	7	Irregular drawl of pay after completion of tenure of service at one office/station	0.784
14		10	Non-observance of Student Teacher Ratio (STR)/low enrollment/ poor performance of teachers	-
15		11	Non-provision of funds for missing facilities	-
16	Deputy District Education Officer, (EE-W), Lalian	8	Non-verification of General Sales Tax	0.505
17	Government Girls High School 134/JB	5	Irregular procurement from unregistered supplier	0.235
18		6	Irregular payment of General Sales Tax against suspected invoices	0.178
19	Govt. Girls High School 223/JB	9	Irregular additional charge for more than three months	-
20	Government Girls High School, Barana	5	Unauthorized payment to irrelevant supplier	0.185
21		6	Irregular procurement from unregistered supplier	0.671
22		7	Irregular payment of General Sales Tax against suspected invoices	0.298
23	Government Girls High School, Chiniot	7	Suspicious expenditure on the repair of machinery and equipment	0.116
24		9	Unauthorized availing of leave without seeking approval of Competent Authority	-
25	Government Girls High School Rajoya Chiniot	6	Suspicious expenditure on the repair of machinery and equipment	0.031

Sr. No.	DDOs	Para No.	Subject	Amount
26	Government High School, Rajoya	2	Irregular purchase of furniture during ban period	0.700
27		6	Non-verification of General Sales Tax	0.147
28	Government AL Islah High School Chiniot	2	Encroachment of Government Land	-
29		4	Excess expenditure without appropriation of budget	-
30		5	Suspicious consumption of material	-
31		6	Irregular expenditure on additional charge of DDO	-
32		7	Non deposit of bank profit in Government Treasury	0.048
33		8	Loss to Govt. due to non-deduction of stamp duty	0.002
34		11	Physical verification of Stores and Stocks	-
35	Government Islamia High School Chiniot	4	Undue retention of Government Funds in DDO bank account	0.022
36		6	Non-deposit of bank profit in the Government Treasury	0.003
37	Government Special Education for Deaf Lalian	5	Undue retention of Government funds in DDO bank account	0.071
38		6	Non-verification of General Sales Tax	0.101
39		7	Irregular drawl of Travelling Allowance without countersignature of controlling officer	0.032
40	Government Special Education for Deaf Chiniot	1	Irregular expenditure on additional charge of DDO	-
41		2	Irregular drawl of salaries by shifting of Headquarter on Additional Charge	-
42		3	Unauthorized opening of bank account in HBL with closing balance	0.636
43		4	Unauthorized payment through online banking system	0.048
44		6	Non deposit of bank profit in Government Treasury	0.012
45		7	Non-accountal of receipts of donations from various agencies	0.021
46		8	Unauthorized drawl of TA / DA	0.138
47		11	Loss to Govt. due to non-deduction of stamp duty	0.004
48		12	Physical verification of Stores / Stocks	-
49		13	Non-maintenance of Cheque Book Register	-
50		15	Non-maintenance of Handing over/taking over record	-
51		16	Non-compliance of previous Audit Paras	-
52		17	Poor security measures	-
53		18	Non-verification of GST	0.077
54	19	Suspicious consumption of material	0.483	
District Education Authority, Faisalabad				
55	Government National Special Education Centre, Faisalabad	2	Non-auction of condemned vehicles	0.300
56		7	Irregular vendor payment through DDO Bank Account	0.107
57	DDEO (EE-W), Jaranwala	4	Unauthorized deduction of Withholding Tax	0.010
58		9	Non-maintenance of record of	-

Sr. No.	DDOs	Para No.	Subject	Amount
			moveable/immovable property/assets register	
59		8	Irregular drawl of pay after completion of tenure of service at one office/station	3.779
60	Government Girls High School, Jhamra	7	Unknown whereabouts of funds drawn from Government Treasury	0.035
61	Deputy DEO (EE-W), Samundari	5	Non-recovery of fines	0.001
62		13	Loss due to non-safeguarding of public assets	0.190
63	Deputy DEO (EE-W), Tandlianwala	7	Failure of internal controls due to payment of salary to private teachers out of NSB	0.300
64		9	Unknown whereabouts of released funds	0.122
65		15	Excess payment of arrears of pay & allowances	0.059
66	Deputy DEO (EE-M), Sadar, Faisalabad	8	Non-recovery of administrative / monitoring fine	0.242
67		10	Unauthorized payment of Integrated Allowance	0.022
68		12	Non-utilization of Non-Salary Budget	0.237
69	DDEO(EE-W), Sadar, Faisalabad	12	Drawl of fund against other DDO code	0.030
70	Deputy DEO (EE-M), Samundari	11	Non-safeguarding of public vehicles	0.200
71		13	Unauthorized withdrawal and retention of funds	0.467
72		17	Irregular payment of General Sales Tax against suspected invoices	0.273
73	CEO, DEA, Faisalabad	3	Non-recovery of fine	0.255
74		9	Irregular execution of development schemes and unknown whereabouts of savings thereof	-
75		10	Excess drawal of Daily Allowance	0.014
76		11	Irregular payment of Cash Award	0.252
77		14	Overpayment beyond the actual claim / bill	0.036
78		16	Irregular procurement of material for Information Technology Laboratories	118.610
79	Deputy DEO (EE-M), City Faisalabad	5	Non-recovery of fine	0.112
80	DDEO (EE-W), City Faisalabad	12	Non-recovery of fine	0.003
81	Govt. Girls Higher Secondary School, Dijkot	8	Undue deduction of Zakat	0.024
82		13	Improper / non-maintenance of record	-
District Education Authority, Jhang				
83	CEO, District Education Authority, Jhang	1	Wasteful expenditure on advertisement	0.192
84	CEO, District Education Authority, Jhang	2	Retention of Strength of vehicles without sanctioned by Administrative Department	-
85	CEO, District Education Authority, Jhang	10	Irregular drawl of TA/DA bills	0.246

Sr. No.	DDOs	Para No.	Subject	Amount
86	CEO, District Education Authority, Jhang	11	Excess drawl of TA/DA	0.018
87	CEO, District Education Authority, Jhang	19	Non-transfer of ministerial staff after completion of tenure of service at one office/station	-
88	CEO, District Education Authority, Jhang	24	Irregular additional charge for more than three months	498.419
89	CEO, District Education Authority, Jhang	28	Unjustified supplementary Grant to High Schools	-
90	CEO, District Education Authority, Jhang	7	Irregular additional charge for more than three months	1.026
91	Deputy District Education Officer (EE-W), Shorkot	8	Non-observance of Student Teacher Ratio (STR)/low enrollment/ poor performance of teachers	-
92	Government Comprehensive Model High School, Jhang	6	Incurrence of expenditure by using doubtful bills	0.388
93	Government Comprehensive Model High School, Jhang	7	Irregular expenditure on repair of furniture and machinery & equipment	0.326
94	Government Comprehensive Model High School, Jhang	8	Non-verification of General Sales Tax	0.251
95	Government Comprehensive Model High School, Jhang	14	Non-preparation / reconciliation of expenditure statements	-
96	Government Special Education Centre, Ahmad Pur Sial	4	Irregular / suspicious expenditure on repair of transport, machinery and furniture	0.494
97	Government Special Education Centre, Ahmad Pur Sial	7	Unknown whereabouts of purchased items	0.096
98	Government Special Education Centre, Ahmad Pur Sial	9	Non-verification of General Sales Tax	0.072
99	Government Special Education Centre, Ahmad Pur Sial	13	Irregular payment of General Sales Tax against suspected invoices	0.042
100	Government Special Education Centre, Ahmad Pur Sial	15a	Non-utilization of school bus	-
101	Government Special	15b	Non-distribution of hearing aids to students	-

Sr. No.	DDOs	Para No.	Subject	Amount
	Education Centre, Ahmad Pur Sial			
102	District Education Officer (EE-M), Jhang	4	Non-recovery of fine	0.064
103	District Education Officer (EE-M), Jhang	6	Irregular payment of General Sales Tax against suspected invoices	0.100
104	Government Girls Special Education Centre (HIC), Jhang	3	Irregular payment of General Sales Tax against suspected invoices	0.165
105	Government Girls Special Education Centre (HIC), Jhang	4	Irregular procurement without evaluation of technical bids	0.908
106	Government Girls Special Education Centre (HIC), Jhang	5	Unauthorized payment to irrelevant supplier	0.091
107	Government Girls Special Education Centre (HIC), Jhang	11	Unjustified payment of Special Education Allowance	0.212
108	Government Girls Special Education Centre (HIC), Jhang	12	Non-auction of condemned vehicle	0.500
109	Government Girls Special Education Centre (HIC), Jhang	14	Irregular payment of salary without verification of educational degrees	0.475
110	Deputy District Education Officer (EE-M), Shorkot	3	Non-rationalization/Re-allocation of teaching staff.	-
111	Deputy District Education Officer (EE-M), Shorkot	9	Non-verification of General Sales Tax and Income Tax	0.162
112	Deputy District Education Officer (EE-M), Shorkot	14	Non-recovery of fine imposed during monitoring	0.017
113	Deputy District Education Officer (EE-M), Jhang	6	Non demolishing of dangerous rooms/ buildings and construction of new buildings / rooms	0.850
114	Deputy District Education Officer (EE-M), Jhang	7	Non-recovery of fine	0.052
115	Deputy District Education Officer (EE-M), Jhang	10	Loss to Govt. due to non-auction of dry trees	0.073
116	Deputy District Education Officer (EE-M), Jhang	12	Unrequired expenditure on the remuneration of sweeperess	0.030
117	Government Higher	7	Irregular procurement of furniture -	0.086

Sr. No.	DDOs	Para No.	Subject	Amount
	Secondary School, Bagh		Recovery of liquidated damages for late supply – Non-verification of GST	
118	Government Higher Secondary School, Bagh	9	Library security not credited to lapsed library security fund	0.067
119	Government Higher Secondary School, Bagh	11	Non-reconciliation of receipts with treasury	0.454
120	Government Special Education Centre for Remaining Disabilities, Jhang	3	Non-verification of General Sales Tax	0.004
121	Deputy District Education Officer (EE-M), 18 Hazari	11	Loss due to procurement of furniture on higher rate	0.236
122	Deputy District Education Officer (EE-M), 18 Hazari	12	Non-recovery of fine	0.010
123	Deputy District Education Officer (EE-M), 18 Hazari	19	Irregular and doubtful expenditure	0.119
District Education Authority, Toba Tek Singh				
124	Government Girls Higher Secondary School 252 GB	4	Expenditure on repair of furniture and machinery	0.299
125		6	Incurrence of expenditure by using doubtful bills	0.160
126	Chief Executive Officer, District Education Authority, Toba Tek Singh	7	Misreporting by concealment of transactions in reconciled expenditure statement	0.613
127		13	Unauthorized withdrawal of TA/DA	0.050
128		20	Non-disbursement of PEC exam remuneration	16.036
129		3	Overpayment after retirement	0.303
130		5	Unjustified expenditure on wiring	0.093
131	DDEO (EE-W) PirMahal	14	Un-authorized drawal of salary during leave	0.131
132		15a	Un-authorized drawal of Conveyance Allowance	0.015
133		15b	Un-authorized drawal of Conveyance Allowance	0.014
134	District Education Officer(EE-M) Toba Tek Singh	5	Expenditure on repair and maintenance	0.455
135	Government Girls Higher Secondary School 316 GB	4	Irregular withdrawal of pay & allowances through adjustment	0.168
136		5	Less deduction of GPF	0.007
137		6	Consumption of other store items without maintenance of proper record/ stock register	-
138	DDEO (EE-M)	10	Irregular and doubtful expenditure	0.817
139	Kamalia	12	Wasteful expenditure due to demolishing newly	0.087

Sr. No.	DDOs	Para No.	Subject	Amount
			repair of class room	
140		13	Misuse of Government Property	-
141		14	Incurrence of expenditure without stock entry	0.200
142		15	Misclassification of expenditure	0.600
143		16	Non-auction of old / dismantled material	-
144	DDEO (EE-W) Kamalia	4	Non-deposit of auction money	0.103
145		6	Excess payment of inadmissible Qualification Allowance	0.012
146		9	Excess payment of Charge Allowance	0.045
147	DDEO (EE-M) Gojra	8	Expenditure without supporting record	0.665
148		9c	Expenditure on the procurement of uniforms/ bages	0.128
149		12	Unauthorized withdrawal of Conveyance Allowance during summer vacation	0.007
150	Government Special Education School, Kamalia	2	Irregular expenditure on the repair	0.484

District Education Authority, Khanewal

(Rupees in million)

Name of formation	AIR Para No.	Subject	Amount
CEO (DEA), Khanewal	7	Unauthorized clearance of pending liabilities without allocation of funds	0.964
	17	Payment of pay and allowances during leaves without pay	0.220
	22	Un-reconciled difference between bank balance and cash book	3.170
	23	Unauthorized payment in cash instead of cross cheque	0.264
Deputy DEO (EE-Male), Mian	5	Irregular payment of Pay and Allowances of teachers	0.560
	6	Unauthorized grant of annual increment recovery thereof	0.253
	7	Unauthorized award of advance increments to AEOs recovery thereof	0.084
	8	Non-refund of unspent balance of non-salary budget from schools handed over to Punjab Education Foundation	0.052
	9	Unjustified payment of salary with fake ID card numbers	2.013
	11	Non recovery / deposit / collection of fines	0.040
	12	Doubtful withdrawal of funds by school	0.222
	17	Non-imposition / payment of Punjab Sales Tax and income tax on services	0.538
	18	Loss to Government due to overpayment of I/Tax	0.067
	19	Loss to Government due to non-auctioning of old / dry trees	-
Dy. DEO (EE-M) Kabirwala	2	Non-regularization of the services of staff despite direction of the Government and unauthorized withdrawal of 30% social security benefits	2.37
	3	Unauthorized grant of annual increment recovery thereof	0.169
	7	Withdrawal of pay and allowances by teachers who left their services	0.494
	8	Unauthorized award of advance increments to AEOs	0.218

Name of formation	AIR Para No.	Subject	Amount
	10	Non-refund of unspent balance of non-salary budget from schools handed over to Punjab Education Foundation	0.559
	12	Excess payment of personal allowance - Recovery thereof	0.037
	14	Irregular payment of Charge Allowance to teachers with charge of Head Teachers	0.245
	16	Irregular withdrawal of inadmissible allowances recovery thereof	0.036
	18	Irregular payment of Fixed TA to Naib Qasid	0.07
	20	Non Deduction of Taxes on the Purchases Made / Services Hired	0.863
	21	Unjustified payment of salary with fake ID card numbers	1.451
	22	Irregular payment of Pay & allowances without availability of sanctioned posts of same scales in the budget	0.363
	23	Non-compliance of observations issued in previous year Audit	-
GGMH School Khanewal	1	Recovery on Account of Conveyance Allowance	0.253
	2	Non-compliance of Government instructions and withdrawal of social security benefits	1.553
	8	Irregular expenditure from Faroogh-E-Taleem Fund	0.898
	12	Irregular purchase of furniture without competition	0.976
	13	Non-verification of deposit of Sales Tax from the purchases of NSB	0.779
	14	Non deposit of Sales Tax from the purchases of SMC	0.319
	15	Non Deduction of Liquidated Damages	0.028
	16	Non-deduction of Income Tax	0.99
Dy. DEO (EE-W), Mian Channu	18	Irregular payment of Charge Allowance to Dy. Head Mistress without charge as Head	0.024
	1	Unjustified payment of salary with fake ID card numbers	3.883
	2	Un-authorized Payment of Social Security Benefit @ 30%	2.800
	5	Doubtful expenditure on account of Assets and NSB Funds	0.882
	8	Irregular development expenditure without approved design and specifications	10.282

Name of formation	AIR Para No.	Subject	Amount
	10	Computerized invoices instead of original Sales Tax invoices & Non-Collection of Proof of Deposit of Sales Tax	1.723
	11	Loss to government due to theft of Assets	0.103
	12	Non-recovery of Pay and Allowance from Teacher during Earned Leaves	0.470
	13	Loss to Government due to excess payment of charge allowance	0.165
	14	Over payment of conveyance allowance during summer vacations	0.070
	15	Non – compliance of recovery against previous audit Paras	-
Dy. DEO (EE-W) Kabirwala	1	Unjustified Drawl of Inadmissible Charge Allowance, Annual increments & Double Increments by the AEOs	0.677
	2	Irregular Maintenance of Cash Book With-out availability of Initial / Signature of Cashier and DDO, Difference in the amount of payment and receipts of as per Bank statement and as per cash book	3.35
	3	Unsigned Cash Book and Difference Between Expenditure Cash Book & Bank Statement	2.72
	5	Unauthorized grant of annual increment recovery thereof	0.288
	6	Irregular drawl of inadmissible allowances , Recovery thereof	0.131
	9	Unjustified Drawl of Pay & Allowance During Without Pay Leave Period	0.814
	13	Unjustified payment of salary with fake ID card numbers	4.344
	14	Doubtful transfer of pay & allowance in the Same Bank Accounts of the different employees of Education Department	1.071
	16	Irregular Drawl of Pay & Allowances after transfer from the Cost Center KC-6429	0.344
	17	Non-regularization of the services of staff despite direction of the Government and unauthorized withdrawal of 30% social security benefits	3.341
19	Irregular Sanction of Maternity Leave , Recovery thereof	0.213	

Name of formation	AIR Para No.	Subject	Amount
	22	Irregular & Doubtful expenditure from NSB fund Without Having Headship of the School GPS Dalil Wala	0.179
GGMHS Mian Channu	1	Non-payment of salary to evening shift teachers	1.06
	4	Irregular development expenditure without approved design and specifications	2.227
	6	Non-deduction of Income Tax at source	0.086
	7	Non-verification of Government Receipts	1.105
	8	Irregular drawl of amount out of SMC account	0.399
	12	Irregular purchase of machinery and equipment	0.337
	13	Non-recovery of Pay and Allowance from Teacher during Earned Leaves	0.840
Dy. DEO (EE-M) Khanewal	5	Irregular payment of charge allowance. Recovery thereof	0.081
	6	Double drawl of pay and allowance - Recovery thereof	0.053
	7	Unjustified payment of Inspection Allowance without codal formalities	0.365
	8	Non-return of NSB funds of schools privatized by the Government	0.038
	9	Overpayment of pay and allowances to AEOs and Dy. DEO and recovery thereof	0.131
	10	Non allocation / non-Auction Government vehicle resulted in loss	0.261
	11	Mis-procurement of Tablet (notebook) of Rs. 1.095 million and recovery thereof Rs.159,827	1.095
	18	Non provision of compliance of Audit paras relating to Financial Year 2016-17	-
Government Secondary Special School For Hearing Impaired, Khanewal	2	Excess payment due to purchase of uniforms and shoes on higher rates	0.173
	3	Doubtful expenditure through excess withdrawal of POL	0.155
	4	Non-deposit of unjustified withdrawal of stipend	0.075
	5	Overpayment due to unjustified adding of GST after approval of rates and non-deposit of GST on purchase of uniforms	0.063
	6	Misclassification of expenditure	0.884
	8	Doubtful expenditure on repair of transport	0.147
	9	Irregular drawl of pay & allowances during general duty	1.78

Name of formation	AIR Para No.	Subject	Amount
	10	Doubtful expenditure on account of mobile oil	0.024
	11	Non deduction/deposit of government taxes on different purchases	0.023
	12	Non-Provision of compliance of previous Audit Paras	0
Dy. DEO (EE-W) Khanewal	1	Non-production of deposit proof of GST by Suppliers inquiry thereof	0.727
	3	Irregular withdrawal of conveyance allowance during vacations	0.885
	4	Unauthorized award of advance increments to AEOs recovery thereof	0.219
	5	Irregular withdrawal of charge allowance	0.057
	8	Irregular payment of Personal Allowances of teachers	0.101
	11	Unauthorized reinstatement of services compulsory retired person	1.26
	13	Irregular withdrawal of pay during the period of leave without pay	0.233
	16	Non-imposition / payment of Punjab Sales Tax on services	0.366
	17	Irregular payment and non-recoupment of funds in FTF	1.376
	18	Advance withdrawal of funds in cash from bank account of school council	1.826
	20	Non-compliance of observations issued in previous year Audit	-
Government Special Education Centre Kabirwala	1	Unauthorized Payment of conveyance & House rent allowances due to designated residences within the boundaries of institution recovery thereof	0.124
	2	Improper maintenance of diary and dispatch register	0
	5	Non auction of old vehicles and machinery	0
	6	Non-provision of compliance of previous audit Paras	0
	7	Non maintenance of tree register for value of millions	0
	8	Unauthorized over budgeting	0.015
	9	Doubtful maintenance of record for Pay & Allowances	10.922
	10	Unauthorized constitute of School Management Committee without approval of competent authority	1.338

Name of formation	AIR Para No.	Subject	Amount
	11	Doubtful expenditures on the accounts of Contingencies	22.569
	12	Doubtful recovery on the accounts of ROP-Education	0.0097
	15	Doubtful service record of Mr. Muhammad Aslam Head Master	0
	17	Irregular/doubtful expenditure on the account of repair of transport	0.142
	18	Miss-procurement of Uniform	0.891
	19	Doubtful/ Illegal Payment of M. Phil Qualification Allowance, recovery thereof	0.055
	21	Irregular/doubtful with drawl on the accounts of repair of machinery & Equipment	0.03
	22	Irregular/doubtful with drawl on the account of Publicity & Advertisement	0.019
	23	Doubtful/Irregular expenditure on accounts of POL	0.393
	24	Irregular payment of scholarship, Non maintenance of Cash Book and Non maintenance of Separate Bank account	0
	25	Difference between Cash Book and Bank Statement	1.848
Special Education Center, Khanewal	1	Unauthorized Purchase in violation of PPRA Rules	0.326
	2	Unauthorized Appointment of Contingent Paid Staff beyond Sanctioned Strength and Payment of Salaries	0.165
	4	Undue Payment of Further Tax @ 2% and GST	0.011
Dy. DEO (EE-W) Jahanian	3	Non-regularization of the services of staff despite direction of the Government and unauthorized withdrawal of 30% social security benefits -Rs 1.760 million	1.76
	6	Irregular withdrawal of pay and allowances from irrelevant DDO Code – Rs 0.482 million	0.482
	9	Non-deduction of Punjab Sales Tax Rs 0.140 million and Income Tax Rs 0.102 million on services	0.242
	11	Unauthorized award of advance increments to AEOs recovery thereof – Rs 0.146 million	0.146
	12	Non-production of deposit proof of GST Rs 0.271 million	0.271
	13	Unauthorized grant of annual increment recovery thereof- Rs 58,800	0.059

Name of formation	AIR Para No.	Subject	Amount
	14	Unauthorized payment on account of integrated allowance	0.027
	15	Irregular withdrawal of charge allowance	0.019

District Education Authority, Lodhran

(Rupees in million)

Name of formation	AIR Para No.	Subject	Amount
CEO DEA Lodhran	2	Non blacklisting of firm due to non supply of Air Conditioner- Rs 833,000 and non forfeiture of security- Rs 60,000	0.833
	5	Irregular Payment of Adhoc Allowances of Rs 73,326	0.073
	9	Irregular purchase by splitting the indents – Rs 671,210	0.671
	10	Irregular withdrawal of inadmissible allowances recovery thereof - Rs 84,653	0.084
	12	Loss to Government due to purchase of Interactive Board with Multimedia at higher Rates- Rs 420,000	0.42
	16	Irregular withdrawal of Pay & allowance after the superannuation, recovery thereof Rs 180,670	0.18
DEO (EE- W) Lodhran	1	Irregular purchases through splitting – Rs 509,278	0.509
	2	Irregular expenditure by splitting to avoid the tendering process – Rs 297,765	0.298
	3	Irregular payment of conveyance allowance during leave periods – Rs 35,741	0.036
	4	Doubtful / Unjustified expenditure on account of repair of Vehicle – Rs 131,329	0.131
	5	Non Verification of Sales Tax – Rs 221,163	0.221
	6	Doubtful / Unjustified expenditure on photo copies of – Rs 201,692	0.201
	8	Non-compliance of observations issued in previous year Audit	0
Dy. DEO (EE-W) Kehrorpacc a	3	Overpayment of Pay & Allownces After Resignation period- Rs258,560	0.258
	7	Unjustified expenditure by School Management Committee – Rs 354,882	0.354
	8	Recovery of overpayment of GST on exempt items – Rs 189,500	0.189
	11	Non-production of proof of deposit of General Sales Tax- Rs.216,071 and Income Tax-Rs.62447	0.062

Name of formation	AIR Para No.	Subject	Amount
	13	Unjustified Stay of Staff in the Dy. DEO (EE-W) More than three years In the Same office , Irregular Drawl of Pay & Allowance of Rs 0.928 million	0.928
Dy. DEO (EE-W) Dunya Pur	5	Excess payment of personal allowance - Recovery thereof Rs 88,400	0.088
	7	Irregular payment of charge allowance. Recovery thereof Rs.80,500	0.08
	8	Loss to Government due to non adjustment of advance increments on account of B.ed. - Recovery thereof Rs. 160,767	0.16
	9	Irregular Expenditure on repair of vehicle of Rs. 248,600/-	0.248
	10	Non-Deposit /deduction of Government Tax – Rs 219, 083	0.219
	12	Irregular expenditure by schools council over and above the authorized limit of School Management Council – Rs. 544,550	0.544
	15	Non provision of compliance of Audit paras relating to Financial Year 2016-17	0
Dy. DEO (EE-W) Lodhran	1	Unjustified Drawl of Inadmissible Charge Allowance & Annual increments by the AEOs , Recovery of Rs. 179,200/-	0.179
	2	Unjustified Drawl of Conveyance Allowance, Instead of Using Official Vehicle Rs. 135,000/-.	0.135
	4	Unjustified payment of salary with fake ID card numbers – Rs 1.988 million	1.988
	10	Irregular Drawal of Pay By PST/ ESE teacher In BPS-15 of - -- Rs 1.165 million	1.165
	12	Irregular & Doubtful Heavy expenditure on Photostate during one year instead of Availabilty of operative photostate Machine in office– Rs 175,728/-	0.175
	14	Irregular/overpayment payment of sales tax on Tablets , Paint by school council's of Rs. 115,670	0.115
	15	Non-production of deposit proof of GST by Suppliers of Rs 228,912/ –	0.229
	16	Unjustified expenditure From NSB Fund without Monitoring of SMC Committee- Rs 841,643	0.841
Dy. DEO (EE-M) Dunya Pur	4	Excess payment of personal allowance - Recovery thereof Rs – 0.386 million	0.386
	6	Excess Payment of Charge Allowance to Employees not Entitled to Draw the Same Rs 0.194 Million	0.194
	7	Unauthorized payment of project Incentive allowance	0.108

Name of formation	AIR Para No.	Subject	Amount
		without entitlement Rs.108, 000	
	8	Unauthorized payment of conveyance allowance during LFP – Rs.068 million	0.068
	9	Irregular Payment of Pay & Allowances to Contract Teachers during Ex-Pakistan Leave Rs.0.0554 Million	0.0554
	10	Recovery of overpayment of GST on exempt items – Rs0.131 Million	0.131
	11	Non-deduction of Punjab Sales Tax on services from suppliers - Rs 0.223 million	0.223
	12	Non-Deposit of General Sales Tax – Rs 0.526 Million	0.526
	13	Mis-procurement of Tablet (notebook) for Rs 0.649 (M) and recovery of Rs0.107 Million.	0.649
Dy. DEO (EE-M) Lodhran	3	Non-recovery of excess paid pay and allowances – Rs 233,237	0.233
	5	Irregular payment of Pay and Allowances of teachers – Rs 87,756	0.088
	6	Unauthorized Payment of Pay and Allowances despite Superannuation Retirement of Employee – Rs 39,207	0.039
	8	Irregular purchases through splitting – Rs 208,445	0.208
	9	Irregular / Unjustified expenditure on Photo state – Rs 134,658	0.135
	10	Irregular / Unjustified withdrawal of funds on account of TA / DA – Rs 85,018	0.085
	12	Doubtful withdrawal of funds on account of POL - Rs 134,182	0.134
	14	Loss to Government due to overpayment of GST of exempted store Rs 0.246 million	0.246
	15	Loss to Government due to non-deduction of income tax Rs 0.121 million	0.121
	16	Uneconomical expenditure without quotations Rs 0.306 million	0.306
	17	Non-Deduction of punjab sales tax Rs 0.075 million and income tax Rs 0.054 million on services by the schools from firms	0.129
	19	Loss to Government due to non-deduction of GST 1/5 share of GST at source Rs 0.085 million and non-production of deposit proof of GST Rs 0.340 million	0.425
	2	Excess payment of personal allowance - Recovery thereof Rs 23,920	0.024
	3	Non surrender/ non utilization of funds - Rs. 241,934	0.241

Name of formation	AIR Para No.	Subject	Amount
GGHSS 358/WB Dunyapur	4	Withdrawal of funds without pre-audit - Rs 200,000	0.2
	5	Expenditure in excess of budget allocation – Rs 1.682 million	1.682
	6	Non-Deposit of General Sales Tax – Rs 56,269	0.056
	7	Irregular expenditure of Rs. 126,000	0.126
GGHSS 365/WB Dunyapur	4	Non return of Loan paid from FTF Rs 143,382	0.143
	5	Doubtful payment of pay and allowances through adjustments – Rs 531,360	0.531
	6	Non Surrender of Savings and excess expenditure Rs. 1,166,928	1.166
	7	Uneconomical purchase without advertisement on PPRA website– Rs 292,224	0.292
	8	Non-deduction of Punjab Sales Tax (PST) on services from suppliers by the schools - Rs 16,816	0.017
	9	Recovery of overpayment of GST on exempt items – Rs 16,638	0.017
	10	Non- Deposit of General Sales Tax from NSB – Rs. 18,940/-	0.019
	11	Non- Deposit of General Sales Tax– Rs. 42,461/-	0.042
GHSS Makhdoom Aali Dunyapur	12	Unauthorized payment of SSB	0.0752
	1	Payment of conveyance allowance during summer vacations - Rs 20,808	0.021
	2	Payment of conveyance allowance during leaves - Rs 109,937	0.109
	3	Non return of Loan paid from FTF Rs.929,856	0.93
	4	Doubtful payment of pay and allowances through adjustments – Rs 916,619	0.916
	5	Non Surrender of Savings and excess expenditure Rs. 1,948,634	1.948
	6	Excess expenditure over and above the budget allocation – Rs 437,427	0.437
	7	Recovery of overpayment of GST on exempt items – Rs 24,709	0.025
	8	General Sales Tax from the purchases of NSB – Rs 52,162	0.052
	10	Non-deduction of Punjab Sales Tax (PST) on services from suppliers by the schools amount Rs 17,112	0.017
	11	Non-deduction of Income Tax at source – Rs 18,893	0.018
	12	Non- Deposit of General Sales Tax– Rs. 81,287/-	0.081
	1	Non-recovery of excess paid pay and allowances – Rs 528,672	0.529

Name of formation	AIR Para No.	Subject	Amount
GHS 53/M Lodhran	5	Non-verification of deposit of GST – Rs 181680	0.181
	6	Verification of Receipt Challans – Rs 391,925	0.392
	7	Unauthorized withdrawal of pay and Allowances –	0.055
	8	Excess withdrawal of TA/DA without family shifting	0.126
	9	Unauthorized withdrawal of TA/DA – Rs 50275	0.05
	10	Non-maintenance of Tree Register and Non-auction of sufaida trees	0
	11	Deterioration of hostel building and residence of principal	0
	12	Bogus withdrawal of medical claims – Rs 96,000	0.096
	13	Doubtful expenditure out of NSB – Rs 74,944	0.074
	14	Lapse of funds due to non surrender of savings – Rs 53.439 million	53.439
GGHSS Danoot	16	Difference in cash books, FI-Data and Bank Account Statements	0
	2	Unauthorized constitute of School Management Council without approval of competent authority	0
	4	Doubtful Maintenance of Ownership record of Land Buildings of School	0
	5	Doubtful maintenance of record receipts amounting to	3.152
	6	Non-surrendering of saving and lapse of non-development Budget – Rs; 15.483 million	15.483
	7	Non production of earned leaves, EOL, Ex. Pakistan leaves, Inquiry etc register with deduction of conveyance allowance	0
	8	Loss to the Government due to non-auctioning of Canteen	2.16
	9	Overpayment non stoppage of increment due to poor result	0
	10	Unauthorized Payment on the accounts of science teaching allowance during leave period–	0.018
	12	Recovery of inadmissible allowances	0.576
	13	Doubtful/Irregular Personnel Allowance amounting to	1.026
	14	Non Return of loan on the accounts of Farough-E-Taleem Fund amounting to Rs; 567354	0.567
	15	Doubtful payment of scholarship during the financial years 2013-14 to 2017-18	0
	16	No embrace numbering on trees up to date	0
17	Doubtful deposit of GST & income tax with bank receipt amounting to Rs; 1.025 million	1.025	
GGHSS Kahrar	1	Non-recovery of Pay and Allowance from Teacher during Earned Leaves – Rs 341,107	0.341
	2	Un-authorized Payment of Social Security Benefit @ 30%	0.275

Name of formation	AIR Para No.	Subject	Amount
Pacca	3	Non-Collection of Proof of Deposit of Sales Tax	0.396
	5	Irregular development expenditure from FTF without approved design and specifications – Rs 325,254	0.325
	6	Irregular development expenditure without approved design and specifications – Rs 884,638	0.885
	9	Non-auctioning of canteen resulted in loss to government - Rs 792,120	0.792
	10	Recovery of overpayment of GST on exempt items – Rs 71,481	0.071
	11	Non-recovery of Pay and Allowance from Teacher during winter vacations – Rs 56,216	0.056
	12	Double drawl of Expenditure from FTF and NSB - Rs.140,959	0.141
	14	Recovery of Inadmissible Allowances – RS. 24,000	0.024
	15	Irregular expenditure on vocational workshop of home economics classes from FTF without Advertisement on PPRA's Website - Rs.292,224	0.292

District Education Authority, Multan

(Rupees in million)

DDO's	Sr. No.	AIR Para No.	Subject	Amount
CEO Education	1	4	Issuance of Registration / Certificate of private schools on the Basis of Bogus & Unsigned Inspection Reports.	-
	2	5	Late issuance of registration certificate of private schools	-
	3	6	Extra-ordinay Increase In 187 Percent Expenditure of The Education Authority Office as compared to The Office of EDO Education of the same Budget Heads	2.960
	4	9	Irregular drawl of inadmissible allowances	0.729
	5	10	Excess Drawl of Transfer TA Grant	0.076
	6	11	Doubtful drawl of Entertainment Expenditure in the month of June and without maintain consumption record	0.117
	7	12	Non Taking Legal Action Against Dy. DEO (EE-W) Of MC instead of Proved Charges in Enquiry Report, Involving in Embezzlement	91.179
	8	14	Excess expenditure over and above the budget	

DDO's	Sr. No.	AIR Para No.	Subject	Amount
			allocation	3.148
	9	15	Un-authorized revised allocation of funds against Nil Budget	600.638
	11	17	Irregular allocation against the Contingent Paid Staff	0.200
	12	21	Irregular drawl of inadmissible allowances	0.034
	13	22	Irregular re-allocation of teacher posts without approval of committee	34.370
	15	25	Non-reconciliation of cash and bank balance moreover whereabouts of bank balance not known	7.070
	16	26	Irregular Expenditure By Misclassification	0.260
	17	27	Irregular purchase of stationery by splitting up Inorder to Avoid the advertisement	0.893
	18	28	Irregular Higher Expenditure on purchase of Stationary & Doubtful Consumption Record	0.893
	19	29	Irregular repair of Office Building Without Estimates	0.161
	20	30	Unjustified Drawl of Pay & Conveyance Allowance During Leave period	0.280
	21	31	Irregular Issuance of order For Post Audit of expenditure of NSB Fund From District Accounts Office	441.430
DO Literacy	22	3	Irregular drawl of expenditure on different projects of Literacy Without Administrative Approval	34.273
	23	4	Irregular Drawl of Huge amount of Arrears of Pay & Allowances With out producing the arrear bills	1.040
	24	5	Irregular repair of Office Building Without Estimates	0.073
	25	6	Irregular purchase of stationery by splitting up In order to Avoid the advertisement	0.362
	26	7	Irregular drawl of inadmissible allowances	0.310
	27	8	Irregular drawl of expenses of transportation of Books & Black Board	0.075
Dy. DEO (EE-W) City Multan	29	4	Unjustified payment of salary with fake CNIC numbers	6.918
	30	7	Irregular sanction of expenditure of pension contribution of secondary schools by Dy. DEO (EE-W)	6.663
	31	9	Irregular payment of Pay and Allowances of teachers	0.561
DEO (EE-M) City	34	5	Un-justified Detainment of Funds in DDO Account due to Non-closing of Cash Book	2.966
	35	6	Misclassification of expenditure	0.718

DDO's	Sr. No.	AIR Para No.	Subject	Amount
	36	7	Non-recovery of excess paid pay and allowances	0.754
	37	8	Payment of Unauthentic Claims of Leave Encashment	3.233
	38	9	Unjustified payment of salary with fake CNIC numbers	1.642
	39	10	Overpayment of Social Security Benefits and other allowances	0.378
	40	11	Excess expenditure on transportation of goods	0.081
	41	12	Non maintenance of record of Admin/General Branch	-
	43	15	Unjustified withdrawal of funds out of NSB by the School without maintenance of record	-
	44	16	Non surrender of savings	108.966
	45	17	Excess expenditure over and above the budget allocation	89.158
Dy. DEO (EE-M) Jalalpur	47	4	Unauthorized withdrawals of arrears of pay and allowances without budget allocation and sanction of the competent authority	21.297
	48	5	Unauthorized payment on account of various kinds of allowances	0.393
	49	6	Loss due to excess payment of charge allowance	0.274
	50	7	Unauthorized payment of integrated	0.115
	51	8	Unauthorized withdrawal of conveyance allowance for employees availing the government bikes	0.095
	52	9	Over payment of conveyance allowance during leave	0.064
	53	10	Loss due to overpayment of GST of exempted store and purchase of store without payment of GST	0.139
	54	11	Loss due to non-deduction of income tax	0.031
	55	12	Uneconomical expenditure without quotations	0.583
	56	13	Non-Deduction of Punjab sales tax and income tax on services by the schools from firms	0.029
	57	15	Loss due to non-deduction of GST 1/5 share of GST at source and non-production of deposit proof of GST	0.304
Dy. DEO (EE-M) Saddar Multan	58	3	Non-recovery of excess paid pay and allowances	3.006
	59	4	Unjustified payment of salary with fake CNIC numbers	3.701
	60	6	Excess payment of pay and allowance due to non fixation of pay after regularization	0.797
	61	7	Non disbursement of amount of electricity bills to schools	0.123
	63	11	Recovery of overpayment of GST on exempt items	0.258
(EE-W) Mult	64	1	Non-regularization of the services of staff despite direction of the Government and unauthorized	6.531

DDO's	Sr. No.	AIR Para No.	Subject	Amount
			withdrawal of 30% social security benefits	
	65	2	Unjustified expenditure on POL without maintenance of Logbook	0.215
	66	5	Irregular appointment on Fake marks of Union resident	0.270
	67	6	Non availability of whereabouts of Government vehicle KWA-7995	0.500
	68	7	Non maintenance of stock registers of purchases	0.416
	69	8	Non collection of deposit proof of GST	0.251
	70	9	Irregular Advance payment of electricity bills	0.100
	71	10	Unjustified payment to building department without execution of work	0.046
	72	11	Doubtful expenditure on account of Photostate	0.092
GBHS Nawab Pur	73	1	Overpayment due to non fixation of pay after regularization of services	0.631
	74	2	Overpayment due to irregular payment of SSB after regularization of services and non fixation of pay and allowances	0.116
	75	3	Doubtful expenditure from SMC	0.170
	76	5	Irregular withdrawal of conveyance allowance during winter vacations	0.127
	77	6	Non-auction of dry trees	0.300
	78	7	Non Deduction of Taxes on the Purchases Made / Services Hired	0.116
Dy. DEO (EE-M) Shujabad	79	2	Loss due to Payment of Conveyance Allowance during Leaves	0.518
	80	4	Unjustified drawl of Inspection Allowance	0.060
	81	5	Non-return of NSB funds of schools privatized by the Government	0.224
	82	6	Excess payment of personal allowance	0.926
	83	7	Loss due to non adjustment of advance increments on account of B.ed.	0.120
	84	8	Doubtful expenditure of NSB Funds by Schools	

DDO's	Sr. No.	AIR Para No.	Subject	Amount
				0.217
	85	9	Mis -procurement of Tablet (notebook)	0.878
	86	10	Non-Deposit of General Sales Tax	0.387
	87	11	Non-Deduction of Income Tax on Services from Suppliers by the Schools	0.284
	88	12	Poor performance of Managements resulted in Blockage of fund/ Non utilization of funds	14.302
	89	14	Irregular expenditure by schools council over and above the authorized limit of School Management Council	0.518
	90	15	irregular expenditure of salary of private school teachers from NSB fund	0.153
Principal Degree College Special Education	91	1	Irregular expenditure on the accounts of rent of building	2.240
	92	2	Irregular temporary duty & drawl of pay and allowances of different staff	-
	93	3	Improper maintenance of diary and dispatch register	-
	94	4	Expenditure statements and cash book and bank statement	0.112
	95	5	Recovery due to payment of unauthorized conveyance allowance to teachers during summer and winter vocations	0.023
	96	6	Non-surrendering of savings and laps of non-development budget	35.676
	97	7	Irregular appointment on contract basis instead of permanent in deceased/ invalidation quota against 17/A quota	-
	98	8	Doubtful tender process and Non-surrendering of savings and lapse of development Budget	36.903
	99	9	Uneconomical expenditure without advertisement on PPRA website and advertisement in newspaper	0.334
	100	10	Irregular drawl of TA/DA	0.019
	101	11	Non production of record	-
GGHS Smeejabad	102	1	Non Return of loan on the accounts of Farough-E-Taleem Fund	0.705
	103	2	Unauthorized Payment on the accounts of science teaching allowance during leave period	0.025
	104	3	Irregular Payment of conveyance allowance during	

DDO's	Sr. No.	AIR Para No.	Subject	Amount
			earned, winter and summer leave periods	0.300
	105	4	Loss to the Government due to non-auctioning of dry trees & Machinery	-
	106	5	Unjustified payment of social security benefit to employees who were regularized/should be regularized during FYs 2011-18	0.368
	107	6	Doubtful deposit of GST & income tax with bank receipt	0.316
	108	7	Doubtful/Irregular expenditures on the account of Water Filtration Plants	1.190
	109	8	Doubtful Expenditure on account of Farogh-E-Taleem (FTF)	2.416
	110	9	Doubtful expenditure on the account of Contingencies	0.300
	111	10	Illegal temporary/loan/exam duties of staff	-
	112	11	Doubtful maintenance of diary and dispatch register	-
	113	12	Overpayment non stoppage of increment due to poor result	-
	114	13	Doubtful Drawl of Pay & Allowance without maintenance of Service Books and personnel files	-
GHS 2-KMR	115	1	Loss due to payment of inadmissible allowances	0.147
	116	2	Non-Surrender of Anticipated Savings	14.523
	117	3	Loss due to payment conveyance allowance during vocations	0.137
	118	4	Loss due to excess withdrawal of personal allowance	0.098
	119	5	Loss due to withdrawal of science teaching allowance without teaching science	0.010
	120	6	Unauthorized payment of social security benefits after regulation of services	0.351
	121	8	Excess expenditure over and above the budget allocation	9.004
	122	9	Unauthorized expenditure from non salary budget without pre-audit	0.681
	123	10	Irregular expenditure from NSB through splitting up and without stock entries	0.681
	124	11	Un-Even Flow of Salary Expenditure	13.339

DDO's	Sr. No.	AIR Para No.	Subject	Amount
Principal GCHS No.2 Shamasabad Multan	125	1	Excess payment of pay and allowances despite superannuation retirement	0.200
	126	2	Payment of conveyance allowance during leaves	0.336
	127	5	Expenditure in excess of budget allocation	20.021
	128	6	Lapse of budget allocation due to non-surrender of savings	65.110
	129	7	Payment of conveyance allowance during summer vacations	0.220
	130	8	Payment of conveyance allowance during winter vacations	0.090
	131	9	Doubtful payment of personal pay	0.241
	132	10	Recovery of charge allowance	0.081
	133	11	Unauthorized withdrawal of pay & allowances without duty	0.193
	134	12	Non-verification of Government Receipts	3.377
	135	13	Doubtful withdrawal without record of payment	0.492
	136	14	Non-deduction of Income Tax at source	0.205
	137	15	Doubtful withdrawal of allowances	0.101
	138	16	Withdrawal of social security benefits after regularization of service	0.119
139	17	Doubtful expenditure through splitting	0.845	

District Education Authority, Pakpattan

(Rupees in million)

Sr. No.	Name of formation	AIR Para No.	Subject	Amount
1	Deputy District Education Officer (EE-M) Pakpattan	1	Irregular sanction of financial assistance beyond delegated financial powers	2
2		2	Unauthorized payment of inadmissible allowances	0.247
3		5	Unauthorized withdrawals of arrears of pay and allowances without budget allocation and sanction of the competent authority	5.723
4		6	Loss to Government due to excess payment of charge allowance	0.964
5		10	Irregular development expenditure without approved design and specifications	2.87

Sr. No.	Name of formation	AIR Para No.	Subject	Amount
6		11	Non-utilization of NSB & FTF Funds	13.882
7		13	Non – compliance of recovery against previous audit Paras	-
8		14	Non-recovery of penalty and stoppage of one increment	0.277
9		15	Irregular auctioning of dismantle building material	0.26
10		16	Non-verification of Government Recoveries	0.12
11		17	Loss to Government by Ignoring the Destruction of text books	-
12		GG HS 91/EB Arifwala	3	Establishment of IT Labs without appointment of IT Teachers
13	5		Non deduction of Income Tax- Rs 32,693	0.033
14	6		Irregular purchases from unregistered suppliers– Rs 58,900	0.059
15	7		Doubtful Expenditure of Rs 22,449	0.022
16	GG HS Colony Area Pakpattan	1	Irregular withdrawal of pay and allowances from irrelevant DDO Code – Rs 157,767	0.158
17		6	Non-imposition / payment of Punjab Sales Tax on services– Rs 52,399	0.052
18		11	Irregular payment and non-recoupment of funds in FTF – Rs 87,250	0.087
19		12	Non-deduction of Income Tax at source – Rs 76,886	0.076
20		15	Non-compliance of observations issued in previous year Audit	-
21	GHS Urban Area Pakpattan	5	Unauthorized withdrawal of qualification allowance and recovery thereof Rs 480000	0.48
22		6	Unauthorized payment in cash instead of cross cheque Rs800,000	0.8
23		7	Unauthorized purchase from unregistered firms/ suppliers Rs453,282	0.453
24		8	Irregular purchase without advertisement for Rs 275,000	0.275
25		11	Doubtful purchase of smart board for Rs 95,000	0.095
26		12	Doubtful withdrawal of fund during the month of June Rs 870,424	0.87
27		13	Un-authorized withdrawal of funds by fake signature of ex-DDO Rs 41,312	0.041
28	G MC High School	2	Doubtful payment of personal allowance - Rs 95,100	0.095
29		4	Doubtful withdrawal of allowances - Rs 0.700 million	0.7

Sr. No.	Name of formation	AIR Para No.	Subject	Amount
30	Arifwala	5	Irregular expenditure of Rs 0.926 million and doubtful payment / non deposit of GST/PST Rs 0.129 million and income tax Rs 0.066 million	0.066
31		7	Payment of sales tax on tablets, paint, white wash and construction material by school council Rs 0.069 million	0.069
32	District Education Officer (SE)	3	Irregular Payment of Special Allowance To the Teachers of Elementary & Secondary School Teachers of Rs 623,000	0.623
33		4	Irregular Payment of 45% House Rent Allowance Instead of 30% of House Rent Allowance Rs 85,920	0.086
34		5	Irregular Payment Of Inadmissible Allowances Rs 461,440	0.461
35		6	Excess drawl of Pay & allowances, Recovery thereof Rs 83,400	0.083
36		7	Irregular Drawl of Medical Bill of Rs-165,698	0.166
37		Deputy District Education Officer (EE-W) Arifwala	3	Unauthorized grant of annual increment recovery thereof- Rs 106,018
38	4		Unauthorized grant of annual increment recovery thereof- Rs 197,840	0.198
39	5		Unauthorized award of advance increments to AEOs recovery thereof - Rs 33,440	0.033
40	6		Irregular payment of Charge Allowance to AEOs - Rs 173,000	0.173
	7		Unjustified payment of salary with fake CNIC numbers – Rs 1.053 million	1.053
41	8		Doubtful payment of pay and allowances to employees having same CNIC numbers – Rs 860,077	0.86
42	9		Unjustified withdrawal of pay without date of joining – Rs 3.595 million	3.595
43	10		Likely Fraudulent payment on account of Pay & Allowances - Rs 448,187	0.448
44	12		Mis -procurement of Tablet (notebook) for Rs 0.957 million and recovery thereof Rs 136,467	0.136
45	14		Non-imposition / payment of Punjab Sales Tax on services – Rs 75,719	0.076
46	15	Non provision of compliance of Audit paras relating to Financial Year 2016-17	-	
	Deputy District	3	Unjustified payment of salary with fake CNIC numbers	0.557
47		4	Unjustified Drawl of Inadmissible Charge Allowance	0.112

Sr. No.	Name of formation	AIR Para No.	Subject	Amount
	Education Officer (EE-M) Arifwala		by the AEOs, Recovery of Rs. 112,000	
48		5	Unjustified Drawl of Inadmissible Annual Increment To the newly recruited Educators, Recovery of Rs. 176,820	0.177
49		6	Unjustified Drawl of Inadmissible Annual Increment To the newly recruited Educators, Recovery of Rs. 135,200	0.135
50		7	Irregular Payment Of Inadmissible Allowances Rs 156,910	0.157
51		8	Unjustified Drawl of Inadmissible Annual Increment by the AEOs, Recovery of Rs 106,400	0.106
52		9	Irregular payment of Pay and Allowances due to non-fixation of Pay of teachers – Rs 0.557 million	0.557
53		12	Non-imposition / payment of Punjab Sales Tax and income tax on services– Rs 0.233 million	0.233
54		15	Unjustified grant of three advance increments resulted into overpayment of Rs194,110	0.194
55		17	Loss to the government due to charging of excess rates than approved rates amounting to Rs274,301	0.274
56		2	Irregular sanction of financial assistance beyond delegated financial powers – Rs 24.600 million	24.6
57		6	Mis-procurement of DVD Player and Computer Table by ignoring the rates of lowest bidders – Rs 66,019	0.066
58		9	Irregular payment of Pay & allowances without availability of sanctioned posts of same scales in budget - Rs 9.500 million	9.5
59		12	Understated Books of Accounts of District Education Authority – Rs 240.468 million	240.468
60	Chief Executive Officer Pakpattan	14	Non maintenance of receipt in Account -V of District Education Authority	-
61		17	Irregular payment of Science Teaching Allowance – Rs 52,200	0.052
62		19	Irregular award of advance increments to AEOs recovery thereof – Rs 76,000	0.076
63		20	Irregular approval of revised budget without inclusion of receipts	-
64		22	Doubtful expenditure on teachers training – Rs 691,539	0.691
65		23	Doubtful award of Qualification Allowance inquiry thereof – Rs 667,400	0.667
66		24	Un-justified site selection of Schools against the	2.4

Sr. No.	Name of formation	AIR Para No.	Subject	Amount
			provision of PC-I and payment of honorarium to self-favored NFBE teachers – Rs 2.400 million	
67	Deputy District Education (EE-W) Pakpattan	2	Unauthorized payment of Charge Allowance to AEOs - Rs 207,658	0.208
68		4	Excess payment of pay and allowances after superannuation retirement - Rs 114,114	0.114
69		5	Unauthorized award of advance increments to AEOs recovery thereof – Rs 97,280	0.097
70		6	Non-utilization of NSB funds – Rs 18.906 million	18.906
71		10	Unjustified withdrawal of pay without date of joining - Rs 3.133 million	3.133
72		12	Recovery of undue payment on Inspection Allowances Rs 1.170 million	1.17
73		15	Recovery of undue payment on account of Inadmissible Allowances Rs 0.203 million	0.203
74		16	Non-deduction / Deposit of Provincial Sale Tax- Rs 0.171 million	0.171
75		18	Non-deduction / deposit of Income Tax – Rs 0.111 million	0.111
76		20	Undue award of annual increments to teachers recovery thereof – Rs 0.296 million	0.296
77	GHS Sandy Khan Pakpattan	5	Non return of Loan paid from FTF Rs0.143 million	0.143
78		6	Irregular Purchase of Items from N.S.B Fund Rs 0.090 Million	0.09
79		9	purchase of Physical Assets (M&E) from Wrong Object Head Rs 0.049 Million	0.049
80		10	Irregular Purchase of Furniture without Obtaining Security Deposit and Non-forfeiture of Security Deposit on Late Supplies – Rs 0.040 Million	0.04
81		11	Non-Recovery of Liquidity Damages on Late Supply of Furniture Recovery Thereof –Rs 0.034 million	0.034
82		13	Irregular Payment of Personal Allowance after regularization – Rs 0.020 Million	0.02
83	GGHS City Arifwala	2	Doubtful payment due to Non Recouped of Farogh-E-Taleem Fund – Rs 344,560	0.344
84		6	Recovery of Inadmissible Allowance – Rs 60,000	0.06
85		7	Unauthorized grant of annual increment recovery thereof- Rs 14,762	0.014
Total				343.486

District Education Authority, Sahiwal

(Amounts in million)

Sr No	AIR Para No	Name of Formation	Subject of Para	Amount
1	2	Dy. DEO (EE-M), Chichawatni	Unauthorized payment of inadmissible allowances	0.412
2	3		Doubtful payment of salary with doubtful ID Card numbers	38.966
3	7		Loss to Government due to excess payment of charge allowance	0.227
4	8		Non-verification of Government Recoveries	0.512
5	10		Loss to Government due to overpayment of GST of exempted store	0.868
6	16		Non – compliance of recovery against previous audit Paras	0.000
7	2	Dy. DEO (EE-M) Sahiwal	Overpayment of Pay & Allowances during Long Leaves	0.207
8	3		Irregular payment of Charge Allowance to AEOs	0.115
9	4		Unauthorized award of advance increments to AEOs recovery thereof -	0.06
10	5		Recovery of Inadmissible Allowances –	0.064
11	6		Irregular payment of Personal Allowance	0.096
12	8		Unauthorized withdrawal of DTE Allowance	0.216
13	9		Unjustified Drawl of Fixed TA / DA Recovery	0.032
14	10		Overpayment of pay and Allowances due to wrong fixation Recovery	0.044
15	12		Irregular payment of Charge Allowance to teachers without charge of Head Teachers	0.348
16	19		Non Taking Legal Action against Falak Sher PST Of instead of Proved Charges of NSB Fund Embezzlement in inquiry report	0.684
17	1	Dy. DEO EE-Women, Sahiwal	Recovery of Inadmissible Allowances	0.074
18	2		Irregular payment of Charge Allowance	0.189
19	3		Unauthorized grant of annual increment recovery thereof	0.134
20	4		Non-fixation of pay and allowances to adjust unauthorized advance increments on account of higher qualification recovery thereof	3.988
21	5		Excess withdrawal of Pay and Allowances recovery thereof –	0.411
22	6		Excess payment of Personal Allowance recovery thereof	0.867

Sr No	AIR Para No	Name of Formation	Subject of Para	Amount	
23	7		Undue payment of Personal Allowance	0.329	
24	10		Non-implementation of penalties imposed to employees	0.024	
25	11		Unauthorized payment of pay and allowances during EOL –	0.305	
26	12		Non-deduction of Income Tax Rs 129,963 and 1/5 th of GST and non-verification of deposit of GST and Income Tax paid to supplier – Rs 472,386 million	0.472	
27	13		Undue payment of GST and non-verification of deposit of the same	0.059	
28	14		Irregular payment of conveyance allowance despite allocation of official vehicle	0.025	
29	16		Excess payment of Charge Allowance to Head Teachers	0.019	
30	17		Recovery of Qualification Allowances	0.064	
31	18		Non-compliance of previous audit report	0	
32	19		Non-deduction / Deposit of Provincial Sale Tax-	0.224	
33	20		Irregular expenditure in violation of PPRA rules / guidelines for utilization of NSB funds and Cash Payments worth millions	0	
34	21		Overpayment on Purchase of Tabs Rs 102,913 and unjustified payment of GST Rs 102,541	0.205	
35	2		Principal GGHSS Farid Town Sahiwal	Uneconomical purchase of Rifle on excess rate	0.143
36	4			Non-deduction of Income Tax at source	0.115
37	9	Non-refund of loans granted form FTF		0.097	
38	10	Non-verification of Government receipts		0.532	
39	13	Unauthorized advance withdrawal of funds without actual expenditure and maintenance of record		0.08	
40	14	Non-deposit of taxes		0.06	
41	1	Government Higher Secondary School, Harappa	Uneconomical purchase of Rifle on excess rate	0.143	
42	2		Withdrawal of funds without pre-audit	0.685	
43	3		Irregular payment of salary with fake CNIC numbers	4.749	
44	5		Non-Collection of Proof of Deposit of Sales Tax and Income Tax	0.122	
45	6		Non-Collection of Proof of Deposit of Sales Tax	0.036	
46	4	CEO DEA, Sahiwal	Non maintenance of receipt Account -V of District Education Authority	0	
47	9		Doubtful expenditure of pay and allowances due to wrong fixation of basic pay	0.826	

Sr No	AIR Para No	Name of Formation	Subject of Para	Amount	
48	12		Irregular payment of Personal Allowance	0.332	
49	13		Irregular payment of charge allowance. Recovery thereof	0.291	
50	15		Unjustified payment on account of qualification allowance -	0.081	
51	16		Irregular payment of Special Conveyance Allowance without observing specified criteria	0.515	
52	17		Irregular payment of conveyance allowance despite allocation of official vehicle	0.03	
53	18		Recovery of Inadmissible Allowances	0.417	
54	19		Unauthorized award of advance increments to AEOs recovery thereof	0.136	
55	20		Irregular payment of Charge Allowance to AEOs and Dy. DEO	0.2	
56	22		Irregular payment of salary with fake CNIC numbers	429.95	
57	23		Non auction of vehicle and Machinery	0.107	
58	24		Non recovery of Inspection fee/registration fee from the private schools	0.154	
59	25		Un-economical expenditure on stationary – Rs 151,764 and recovery of Rs. 4,460	0.152	
60	26		Non provision of compliance of Audit paras relating to Previous Years	0	
61	1		Principal Government Higher Secondary School of Special Education (Hearing Impaired) Sahiwal	Unjustified payment of Sales Tax	0.058
62	3			Non-Regularization of the Services of Staff Despite Direction of the Government and Unauthorized Withdrawal of 30% Social Security Benefits	0.275
63	5	Non-collection of Deposit Proof of GST		0.097	
64	3	Government Mehmoodi a High school Sahiwal	Irregular expenditure by schools council over and above the authorized limit of School Management Council	0.413	
65	5		Loss to Government Due to Non Auction of dead dry trees	0.5	
66	6		Irregular expenditure without Vetting of SMC Committee	0.046	

Sr No	AIR Para No	Name of Formation	Subject of Para	Amount	
67	7		Non Return of Loan Taken From FTF Fund of	0.782	
68	8		Non Return of Loan of Utility Bills instead of drawn from Government treasury	0.448	
69	9		Non collection of deposit proof of GST	0.093	
70	1		Doubtful supply of desk bench	0.05	
71	4		Irregular purchase without advertisement for	0.198	
72	5		Unauthorized withdrawal of funds for purchase of arms and ammunition	0.193	
73	9		Loss to government due to non-deduction of income tax and sales tax at source	0.204	
74	1		Government Batala muslim high School sahiwal	Irregular purchase of furniture from SMC	0.4
75	2			Irregular payment on account of installation of Barbid Wire, UPS and CCTV Camera	0.13
76	3	Non deposit of PST		0.038	
77	4	Non auction of Canteen resulting in Loss to Government –		0.396	
78	7	Non collection of deposit proof of GST		0.087	
79	8	Non recording of transaction in Cashbook		0.067	
80	3	Government Girls Model Pilot Secondary School Sahiwal		Irregular/overpayment payment of sales tax on tablets, paint, white wash and construction material by school council	0.207
81	4		Non-deduction of Punjab Sales Tax Rs 0.088 million and Income Tax Rs 0.064 million on services	0.064	
82	6		Doubtful payment / non- deposit of GST inquiry thereof –	0.348	
83	7		Uneconomical purchase of Rifle on excess rate	0.143	
84	8		Loss to Government on account of social security benefits due to non-regularization of services despite Government orders	0.367	
85	9		Non-deduction of GST, PST & Income Tax	0.091	
86	11		Non-refund of loans granted form FTF	0.862	
87	14		Irregular drawl of amount out of SMC account	0.288	
88	3	Government Special Education School for Mentally Retarded Children, Sahiwal	Irregular payment to supplier on account of purchase of uniform Rs 105,137 and non- recovery LD Rs 15,770	0.121	
89	5		Unauthorized expenditure due to misclassification	0.88	
90	8		Unauthorized withdrawal of funds for purchase of arms and ammunition	0.194	
91	10		payments for advertisements	0.008	

District Education Authority, Vehari

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
1	Dy. DEO (EE-W) Vehari	1	Irregular deduction of Punjab Sales Tax on services Rs 188,807 and non-deduction of income tax	0.118
		2	Loss to government due to excess payment and recovery thereof	0.485
		4	Mis-procurement of Tablet PCs for Rs 1.627 million and	0.897
		5	Non-Verification of Deposit Proof of General Sales Tax	0.472
		6	Blockage of fund/ Non utilization of funds for construction of class rooms	37.81
		8	Unauthorized payment of charge allowance to AEO and recovery	0.104
		11	Non-Surrender of Anticipated Savings Amounting	38.514
		12	Excess expenditure over and above the budget allocation	1.824
		13	Loss to government due to payment conveyance allowance during leaves	0.857
		14	Loss to government due to payment pay & allowances during EOL period	0.285
		16	Non production of record and non-maintenance of record	0.45
2	Principal Govt. Girls Higher Secondary School Tibba Sultan Pur	2	Irregular expenditure through splitting - Rs 0.541 million	0.541
		3	Excess expenditure over and above the budget allocation – Rs 109,130	0.109
		4	Non Surrender of Savings Rs. 1.248 million	1.248
		5	Unauthorized payment of conveyance allowance to teachers during leave period	0.295
		8	Payment of inadmissible allowances - Rs 21,715	0.021
		9	Irregular withdrawal of conveyance allowance during Summer vacations - Rs 402,912	0.402
		10	Non-imposition / payment of Punjab Sales Tax on services– Rs 53,733	0.053
		11	Recovery of overpayment of GST on exempt items – Rs 24,969	0.024
		12	Non-verification of deposit of Sales Tax from the purchases of NSB – Rs. 345,002/-	0.345
		14	Non-deduction of Income Tax at source – Rs	0.084

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
			84,246	
3	Dy. DEO (EE-W) Mailsi	3	Irregular withdrawal of conveyance allowance during vacations – Rs 435,315	0.435
		4	Unauthorized award of annual increments recovery thereof – Rs 231,230	0.231
		5	Irregular withdrawal of charge allowance	0.116
		6	Non-refund of NSB funds from School Council Accounts of Schools transferred to PEF	0.516
		8	Irregular withdrawal of TA/DA by employees	0.432
		9	Unauthorized payment of conveyance allowance to teachers during leave period – Rs 740,732	0.74
		11	Excess expenditure than budget allocation	6.724
		12	Unjustified withdrawal and payment of SSB employees during period of regular service	0.306
		13	Irregular withdrawal of pay during the period of leave without pay	0.408
		16	Non-imposition / payment of Punjab Sales Tax on services– Rs 566,484	0.566
		19	Non-utilization of NSB funds – Rs 51.936 million	51.936
		20	Non-production of deposit proof of GST by Suppliers inquiry thereof – Rs 5.671 million	5.671
4	Dy. DEO (EE-M) Vehari	1	Irregular sanction of financial assistance beyond delegated financial powers	7.000
		2	Unauthorized payment of inadmissible allowances	0.089
		3	Un-authorized Payment of Social Security Benefit @ 30%	0.078
		4	Over payment of conveyance allowance during winter vacations - Rs 681,948	0.681
		6	Loss to Government due to excess payment of charge allowance Rs 351,082	0.351
		7	Over payment of conveyance allowance during summer vacations - Rs 135,825	0.135
		11	Non-utilization of NSB & FTF Funds	9.33
		12	Non-Collection of Proof of Deposit of Sales Tax	3.865
		15	Irregular auctioning of dismantle building material	0.72
		16	Non-recovery of Pay and Allowance from Teacher during Earned Leaves – Rs 348,229	0.348
		17	Loss to government due not realization of FTF funds – Rs. 958,926	0.958

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
		19	Non – compliance of recovery against previous audit Paras	0
5	Dy. DEO (EE-W) Burewala	2	Unjustified payment on account of qualification allowance - Rs 253,800	0.253
		3	Unjustified Payment of Social Security Benefits and recovery thereof - Rs 313,338	0.313
		4	Recovery of Inadmissible Allowances – Rs114,805	0.114
		5	Non verification of Deposit-Rs.2.924 million	2.924
		8	Doubtfull / Irregular expenditure from NSB funds by splitting the indent- Rs0.860 million	0.86
		10	Doubtful payment /non deposit of GST inquiry thereof – Rs 0.985 million	0.985
		11	Non provision of compliance of Audit paras relating to Previous Years	0
6	Dy. DEO (EE-M) Burewala	3	Unauthorized payment of conveyance allowance	0.963
		4	Unjustified payment on account of qualification allowance - Rs 209,400	0.209
		5	Irregular payment of Charge Allowance to AEOs - Rs 206,000	0.206
		9	procurement of Tablet (notebook) of Rs. 303,788 and unjustified payment of GST thereon Rs. 40,241	0.04
		12	Non payment of income tax on account of miscellaneous services acquired – 139,041	0.139
		13	Irregular payment of Special Conveyance Allowance without observing specified criteria	0.114
7	CEO Education	2	Lost to the Government on account of advertisement charges due to non-accomplishment of Class-IV recruitment Rs 2.693 million.	2.693
		5	Drawl of POL without maintenance of log book of vehicle amounting to Rs 53,646	0.053
		6	Unauthorized procurement for IT Lab through irrelevant procurement committee– Rs 7.5 million	7.5
		8	Unauthorized Payment on Account of Integrated Allowance - Rs 0.909 Million	0.909
		10	Irregular grant of honorarium	0.911
		11	Unauthorized sanction of time bared claim without the sanction of Finance Department	0.036
		12	Non-collection of Deposit Proof of GST	0.075
		13	Non-availability of stock entries of store and stock amounting to Rs442,665	0.442

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
		14	Non-monitoring of development budget resulted in lapsed of expenditures amounting to Rs 60.153 million.	60.153
8	Govt. Higher Secondary School Garha More	1	Payment of conveyance allowance during winter vacations – Rs 174,639	0.174
		2	Irregular Purchase of Items from N.S.B Fund without Sanction of Expenditure	0.265
		3	Irregular Construction of Canteen Out of F.T.F Rs.78,240	0.078
		4	Non return of Loan paid from FTF	0.111
		5	Irregular Payment of G.S.T on Exempt Items Rs 87,226	0.087
		6	Non Surrender of Anticipated Savings Rs.5,700,637	5.7
		7	Unjustified Payment of Arrears of Pay & Allowances without Release of Separate Budget Rs 267,329	0.267
		8	Uneconomical purchase without advertisement on PPRA website– Rs.694,457	0.694
		9	Non-Collection of Proof of Deposit of Sales Tax – Rs 253,393	0.253
		10	Non Deposit of PST – Rs 77,647	0.077
		11	Non deduction of Income Tax- Rs 44,746	0.044
		12	Doubtful Payment on Purchase of Rifle From F.T.F Rs.25,000	0.025
		13	Over Payment of Personal Allowance – Rs 19,430	0.019
		14	Irregular Payment of Personal Allowance after regularization – Rs 18,900	0.018
		15	Loss to government due to withdrawal of science teaching allowance without	0.018
9	Govt. Higher secodnar School Sheik Fazil	1	Loss to the Government due to non-auctioning of Canteen – Rs; 2.160 App	2.16
		2	Unauthorized Payment of conveyance allowance during winter and summer leave periods recovery of Rs; 274699	0.274
		3	No embrace numbering on trees up to date	0
		4	Doubtful maintenance of diary and dispatch register	0
		5	Non maintenance of earned leaves, EOL, Ex. Pakistan leaves, Inquiry, Budget control etc	0

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
			registers with deduction of conveyance allownce	
		7	Non-surrendering of saving and lapse of non-development Budget – Rs; 3.415 million	3.415
		8	Doubtful Drawl of Pay & Allowance without verification of degrees & maintenance of Service Books and personnel files amounting to Rs; 26.514 million	26.514
		9	Doubtful/ Illegal Payment of M.Phil/Ph.D./higher Qualification Allowances & recovery of Rs; 0.406 million	0.406
		10	Non maintenance of record & Overpayment due to non-stoppage of increment on poor result	0
		11	Non return of loan on the accounts of Farough-E-Taleem Fund amounting to Rs; 0.668 million	0.668
		12	Irregular expenditure on the accounts of purchase of furniture through splitting –Rs 0.435 million	0.435
		13	Unauthorized Payment on the accounts of science teaching allowance during leave period– Rs; 0.140 million	0.14
		14	Unauthorized withdrawal of conveyance and house rent allowance by the Mst. Tabassam Perveen Ex. Principal, therefore recovery amounting to Rs; 0.821 million	0.821
		15	Doubtful maintenance of record for Furniture, emanation, Toilet, Rooms, Camera/Security Instruments	0
		16	Non reconciliation/ difference in cash book & Bank Account Statements amounting to Rs; 0.291 million	0.291
		17	Doubtful/Irregular Pay & Allowances on the accounts of arrears through SAP/Bills amounting to Rs; 0.847 million	0.847
		18	Doubtful deposit of GST & income tax with bank receipt/FBR amounting to Rs; 01.226 million	1.226
		19	Non completion of Inquiry of Mst. Tabassam Perveen Ex. Principal	0
		21	Unauthorized Payment of conveyance allowance during earned leave; recovery of Rs; 0.523 million	0.523
		22	Non production of record amounting to Rs; 87.956 million Appr	87.956

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
		23	Doubtful Maintenance of Ownership record of Land Buildings of School	0
		24	Non-regularization of the services of staff despite directions of the Government and unauthorized withdrawal of 30% social security benefits, therefore recovery of Rs; 0.715 million	0.715
		25	Doubtful expenditure on the accounts of Contingencies, NSB & FTF amounting to Rs; 05.701 million	5.701
		26	Doubtful maintenance of receipts record	0
10	DEO (EE-M) Vehari	2	Non- construction of class rooms out of NSB funds provided by the Government for the purpose	0
		3	Irregular payment of leave encashment – Rs 5.391 million	5.391
		4	Non-collection of proof of deposit of general sales tax – Rs 0.094 million	0.094
		5	Withdrawal of social security benefits after regularization of services	0
		6	Irregular purchase of stationery by splitting of expenditure– Rs 0.664 million	0.664
		7	Doubtful payment of inspection allowance during summer vacations -	0.809
		8	Doubtful payment of salaries through same bank account to different employees Rs 0.644 million	0.644
		9	Unauthorized payment of pay and allowances despite superannuation retirement of employees - Rs 0.054 million	0.054
		11	Doubtful withdrawal of funds on account of POL - Rs 0.125 million	0.125
		12	Non-monitoring/non-exercising review on utilization of school council funds inquiry thereof	0
		13	Over payment of sales tax on purchase of various store by school councils	0
		14	Uneconomical purchase of various items without advertisement on PPRA website and print media	0
11	DY. DEO (EE-M) Mailsi	1	Unauthorized withdrawal of conveyance allowance – Rs 949,229	0.949
		2	Non-imposition / payment of Punjab Sales Tax on services – Rs 981,347	0.981
		3	Unauthorized grant of annual increment recovery	0.31

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
			thereof- Rs 310,100	
		4	Irregular payment of Charge Allowance to AEOs - Rs 205,000	0.205
		5	Unauthorized payment of conveyance allowance to teachers during leave period – Rs 139,036	0.139
		6	Recovery of inadmissible allowances 115,472	0.115
		9	Non recovery of NSB fund from PEF schools	0.522
		11	Non-utilization of NSB funds – Rs 15.433 million	15.433
		12	Irregular retention of Development funds provided for construction of class rooms Rs. 4.110 million	4.11
		13	Doubtful payment of salary with doubtful ID card number – Rs 599,400	0.599
		14	Unjustified withdrawal of pay without date of joining – Rs 1.288 million	1.288
		16	Unjustified withdrawal of pay due to wrong date of joining	0

Annexure-B - BWP**Detail of Expenditure****(Rupees in million)**

Sr. No.	District of DEA	Budget	Expenditure	Excess/ Savings
1	Bahawalnagar	9,429.324	10,113.288	683.964
2	Bahawalpur	12,606.389	8,863.892	-3,742.497
3	Rahim Yar Khan	13,790.429	11,809.234	-1,981.195

Annexure –B DGK

Sr. No.	District of DEA	Budget	Expenditure	Savings
1	Dera Ghazi Khan	8,709.800	6,898.589	(1,811.211)
2	Layyah	7,822.675	6,488.968	(1,333.707)
3	Muzaffargarh	7,765.573	7,726.740	(38.833)
4	Rajanpur	4,134.403	4,113.228	(21.175)
Total		28,432.451	25,227.525	(3,204.926)

Annexure –B FSD

Sr. No.	District of DEA	Budget	Expenditure	Savings
1	Chiniot	3,949.585	3,075.189	874.396
2	Faisalabad	19,062.202	1,7187.349	1,874.853
3	Jhang	8,326.703	7,546.582	780.121
4	Toba Tek Singh	8,694.769	7,408.466	1,286.303
Total		40,033.259	35,217.586	4,815.673

Annexure –B MTN

Sr. No.	District of DEA	Budget	Expenditure	Savings
1	Khanewal	10,795.918	8,350.282	(2,445.636)
2	Lodhran	4,516.455	4,113.176	(403.279)
3	Multan	11,076.774	9,157.153	(1,919.621)
4	Pakpattan	4,552.806	4,115.258	(437.548)
5	Sahiwal	7,966.322	7,659.827	(306.495)
6	Vehari	8,432.425	7,700.775	(731.650)
Total		47,340.700	41,096.471	(6,244.229)

Annexure-C/DEA BWN
[Para 1.2.5.2.3]

**Irregular incurrence of development expenditure without detailed
designs and specifications – Rs 21.883 million**

Table 1

(Amount in rupees)

Sr. No.	Name of school	Markaz	Total amount
1	GMPS 242 HL	8	404,488
2	GGES 258 HL	8	162,000
3	GMPS 277/HR E	8	213,500
4	GMPS 277/HR W	8	178,431
5	GMPS 257 HL	8	250,000
6	GGPS 210/9-R	6	157,000
7	GGPS 235/9-R	6	295,238
8	GGPS 174/7R	3	224,007
9	GGEMS 173/7R W	3	154,538
10	GGPS 289/HR	12	215,248
11	GGPS294 HR	12	167,467
12	GMPS 298hr	12	169,520
13	GGPS265HR	10	150,000
14	GGPES 260 HR	10	343,604
15	GMPS267 HR	10	201,198
16	GMPS 264 HR WSET	10	167,002
17	GGPS263 HR10	10	282,883
18	GMPS 328 HR E	15	252,916
19	GGES 339 HR	15	312,462
20	GGES 340 HR	15	157,906
21	GMPS 341 HR	15	258,640
22	GMPS185/7R N	1	248,972
23	GGPS FAISAL COLONY KICHIWALA	1	150,000
24	GGES 216 9R	4	161,600
25	GGPS 209 9R. W	4	172,030
26	GGES 199/8R	2	347,460
27	GGES 212/9R	7	250,000
28	GGES 221/9R	7	300,012
29	GMPS ward no.5	7	500,000
30	GGPS ward no.9	7	441,368
31	GGPS 204/HB	5	176,926
32	GGPS 273/HR	9	194,709
33	GGPS Ward no 8	9	304,681
34	GGPS 270/HR Qadir town	9	352,153
35	GGPS 271/HR West	9	287,624

Sr. No.	Name of school	Markaz	Total amount
36	GGPS 281/HR	11	231,372
37	GGES 279/HR	11	183,424
38	GGPS 278/HR E	11	398,000
Total			9,418,379

Table 2

(Amount in rupees)

Sr. No.	Emis Code of Schools	Name of School	Period	Bill No.	Amount of Development works
1	31140444	GGPS CHAK 45/3-R (AB)	2018-19	Various	100,000
2	31140103	GGES CHAK NO. 118/6-R	2018-19	975,102,976,1513,135,138,1514,136,137	158,787
3	31140463	GGPS CHAK NO. 2/1-R	2018-19	1346,1349,712,1353,714,720,723,4551,4552,4560	151,959
4	31140097	GGES CHAK NO 99/6-R	2018-19	942,89,223,6884,468,548,631,222	226,341
5	31140092	GGES CHAK 434/6-R	2018-19	683,878,1103,529,691,539	152,000
6	31140324	GMPS 13/1-R	2018-19	4, 25	104,873
7	31140310	GGES 86/5 (AB)	2017-18	849, 929, 953, 979, 980	500,225
8	31140340	GGES CHAK NO. 61/4-R	2017-18	Various	100,000
9	31140098	GGES 100/6-R	2017-18	Various	261,000
Total					1,755,185
Table 1					9,418
Dy.DEO(EE-M) BWN					9,548
Dy.DEO(EE-M) FTS					1,162
Grand total					21,883

Annexure-D/DEA BWN
[Para 1.2.5.2.6]

Unauthorized Appointments by the Minister of Education – Rs 3.491 million

(Amount in rupees)

Sr. No.	Basic Pay	Period	Months	Amount
1	830	20.09.89 to 30.11.90	14	11,620
2	868	01.12.90 to 31.05.91	6	5,208
3	1,401	01.06.91 to 30.11.91	6	8,406
4	1,473	01.12.91 to 30.11.92	12	17,676
5	1,545	01.12.92 to 30.11.93	12	18,540
6	1,617	01.12.93 to 31.05.94	6	9,702
7	2,187	01.06.94 to 30.11.94	6	13,122
8	2,264	01.12.94 to 30.11.95	12	27,168
9	2,381	01.12.95 to 30.11.96	12	28,572
10	2,478	01.12.96 to 30.11.97	12	29,736
11	2,575	01.12.97 to 30.11.98	12	30,900
12	2,672	01.12.98 to 30.11.99	12	32,064
13	2,769	01.12.99 to 30.11.00	12	33,228
14	2,866	01.12.00 to 30.11.01	12	34,392
15	4,440	01.12.01 to 30.11.02	12	53,280
16	4,585	01.12.02 to 30.11.03	12	55,020
17	4,730	01.12.03 to 30.11.04	12	56,760
18	4,875	01.12.04 to 30.06.05	7	34,125
19	5,575	01.07.05 to 30.11.05	5	27,875
20	5,740	01.12.05 to 30.11.06	12	68,880
21	5,905	01.12.06 to 30.06.07	7	41,335
22	6,795	01.07.07 to 31.08.07	2	13,590
23	7,010	01.09.07 to 30.11.07	3	21,030
24	7,270	01.12.07 to 30.06.08	7	50,890
25	8,695	01.07.08 to 30.11.08	5	43,475
26	9,005	01.12.08 to 30.06.09	7	63,035
27	9,100	01.07.09 to 30.11.09	5	45,500
28	9,480	01.12.09 to 30.11.10	7	66,360
29	9,860	01.12.10 to 30.06.11	7	69,020
30	15,930	01.07.11 to 30.11.11	5	79,650
31	16,540	01.12.11 to 30.11.12	12	198,480
32	17,150	01.12.12 to 30.11.13	12	205,800
33	17,760	01.12.13 to 30.11.14	12	213,120
34	18,370	01.12.13 to 24.05.15	6	110,220

Sr. No.	Basic Pay	Period	Months	Amount
35	19,000	01.06.15 to 30.06.15	1	19,000
36	24,560	01.07.15 to 30.11.15	5	122,800
37	25,465	01.12.15 to 30.06.16	7	178,255
38	31,430	01.07.16 to 30.11.16	5	157,150
39	32,550	01.12.16 to 30.06.17	7	227,850
40	38,730	01.07.17 to 30.11.17	5	193,650
41	40,060	01.12.17 to 31.12.17	1	40,060
42	40,190	01.01.18 to 30.11.18	11	442,090
43	41,710	01.12.18 to 30.06.19	7	291,970
Total				3,490,604

Annexure-E/DEA BWN
[Para 1.2.5.2.8]

Non-verification of General Sales Tax on payment - Rs 3.186 million

(Amount in rupees)

Bill No.	Date	Name of Firm	G. Amount	GST
801	1/9/2018	Eman Enterprises	27,331	794
823	1/9/2018	Eman Enterprises	6,435	187
5077	1/8/2018	Anjum Traders	24,196	703
1057	10/11/2018	Eman Enterprises	43,200	1,255
1059	10/11/2018	Eman Enterprises	17,040	483
1053	10/11/2018	Eman Enterprises	29,664	862
1052	10/11/2018	Eman Enterprises	44,028	1,279
1229	25.01.2019	Eman Enterprise	49,800	1,411
1231	25.01.2019	Eman Enterprise	17,448	494
1230	25.01.2019	Eman Enterprise	48,012	1,360
7408	26.02.2019	Khursheed Traders	39,511	1,148
433	1/3/2019	M/S Zahid Traders	17,000	0
7466	28.02.2019	Khursheed Traders	45,630	5,889
		Mazhr Foto State	23,848	1,463
591	2/4/2019	M/S Zahid Traders	45,600	1,325
593	1/4/2019	M/S Zahid Traders	48,000	1,395
441	1/3/2019	M/S Zahid Traders	21,000	494
7428	26.02.2019	Khursheed Traders	42,120	1,224
592	1/4/2019	M/S Zahid Traders	48,000	1,395
629	27.06.2019	M/Z Zahid Traders	50,000	1,453
633	27.06.2019	M/Z Zahid Traders	49,992	1,453
1040	15.06.2019	M/S Zahid Traders	6,143	179
1039	15.06.2019	M/S Zahid Traders	49,994	1,453
1044	15.06.2019	M/S Zahid Traders	49,140	3,639
1232	Nil	Aman Enterprises	24,000	0
765	12.01.19	Unique traders	16,673	750
752	12.01.20	Unique traders	49,140	2,211
260	18.07.18	Unique traders	43,290	1,948
259	18.08.18	GM Traders	49,842	2,243
855	09.01.19	Unique traders	47,502	2,138
832	10.01.19	Unique traders	43,232	1,945
791	27.01.19	Unique traders	57,084	2,243
860	27.09.18	Unique traders	47,268	2,127
865	10.01.19	Unique traders	39,172	1,763

Bill No.	Date	Name of Firm	G. Amount	GST
875	11.01.19	Unique traders	49,491	2,227
823	09.01.19	Unique traders	43,290	1,948
843	11.01.19	Unique traders	43,232	1,945
829	05.01.19	Unique traders	38,610	1,737
820	27.12.18	Unique traders	49,959	2,248
815	05.01.19	Unique traders	46,800	2,106
850	12.01.19	Unique traders	43,290	1,948
789	14.01.19	Unique traders	49,316	2,219
770	01.01.19	Unique traders	49,725	2,238
276	07.10.18	GM Traders	6,000	600
872	14.02.19	Unique traders	18,000	1,800
275	24.08.18	GM Traders	12,578	1,258
5077	1/8/2018	Anjum Traders	24,196	703
Total			1,734,822	71,683
Total Dy. DEO(EE-M) BWN			1,415	
Grand Total			3,186	

Annexure-F/DEA BWN
[Para 1.2.5.2.12]

**Loss to government due to non -performing duties of Community mobilization by
AEOs – Rs 1.334 million**

(Amount in rupees)

Sr. No.	Pers.no.	Name of Employee	Job Title	Grade	Particular	Period	Amount
1	31557264	SAFIA TABASSUM	S.E.S.E	Grade 16	Extra duty allow	2018-19	90,000
2	31557764	IMRAN KHAN	CHOWKIDAR	Grade 01	Extra duty allow	2018-19	93,064
3	31557784	MAHEWASH ANAYAT	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	73,064
4	31557784	MAHEWASH ANAYAT	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	90,000
5	31699884	SABA ASHRAF	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	30,000
6	31699884	SABA ASHRAF	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	90,000
7	31848682	FARIHA ANWAR	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	90,000
8	32022507	MARYAM IQBAL	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	50,000
9	32022512	SYYEDA AFIFA KAZMI	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	79,838
10	32027705	MARYAM SADIA	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	79,838
11	32083871	SANA LIAQAT	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	54,838
12	32083874	AMNA AFZAL	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	54,838
13	32083878	YASRA ASGHAR	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	54,838
14	32087839	SADIA PERVEEN	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	54,838
15	32087844	AYESHA SARWA	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	79,838
16	32087847	RABIA AYYAZ	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	54,838
17	32087852	AQSA IQBAL	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	54,838
18	32087856	SHAMOUZIA AZAM	ASST: EDUCATION OFFICER	Grade 16	Extra duty allow	2018-19	79,838
19	32095471	AMNA AFZAL	SECONDARY SCHOOL TEACHER	Grade 16	Extra duty allow	2018-19	79,838
Total							1,334,346

Annexure-G/DEA BWN
[Para 1.2.5.3.5]

Unjustified provision of funds to dangerous school buildings – Rs 4.245 million

(Amount in rupees)

Sr. No.	Dangerous Building is Demolish	Status	NSB Amount Received during 2017-19	NSB Amount Consumed till 6/2019	Closing Balance of NSB as on 30.06.2019
1	GGPS 40/3-R	Dangerous Building is Not Demolish	174,139	173,035	1,104
2	GGPS 82/5-R	Dangerous Building is not Demolish	79,055	13,175	65,880
3	GGPS CHAK NO 32/3-R	Dangerous Building is Demolish	630,201	125,175	505,026
4	GMPS CHAK NO 56/4-R	Dangerous Building is Demolish	140,000	132,268	7,732
5	GGES CHAK 437/6-R	Dangerous Building is Demolish	55,214	26,425	28,789
6	GMPS 156/HB FAQIR WALI	Dangerous Building is Demolish	175,004	172,462	2,542
7	GMPS CHAK NO 194/7-R	Dangerous Building is Not Demolish	132,305	109,300	23,005
8	GMPS 159/7-R	Dangerous Building is Demolish	216,532	179,351	37,181
9	GGPS MUHAJAR COLONY	Dangerous Building is Not Demolish	167,585	150,272	17,313
10	GGPS 77/1-L HAROON ABAD	Dangerous Building is Not Demolish	529,485	129,724	399,761
11	GGPS CHAK NO 72/4-R	Dangerous Building is Demolish	1,106,735	1,008,529	98,206
12	GGPS CHAK NO 438/6-R (WEST)	Building Work is Under Process	188,244	70,985	117,259
13	GGPS 149/6-R (E)	Dangerous Building is Demolish	248,605	210,475	38,130
14	GGPS BHATTA MUHAMMAD PURA	Dangerous Building is Not Demolish	248,304	180,675	67,629
15	GGES 100/6-R	Dangerous Building is Not Demolish	154,217	104,217	50,000
Total			4,245,625	2,786,068	1,459,557

Annexure-H/DEA BWN
[Para 1.2.5.4.7]

Loss due to irregular payment of conveyance / mobility allowance –
Rs 6.171 million

(Rupees in million)

Sr. No.	Para No.	DDOs	Amount	Recovery	Balance
1	6	Dy.DEO (M-EE) BWN	0.135	0.000	0.135
	10		2.060	0.000	2.060
	16		0.180	0.000	0.180
2	2	GGHS Mohar Wali	0.077	0.027	0.050
	9		0.286	0.000	0.286
3	3	Got Special Eddo Centre Chishtian	0.120	0.000	0.120
	1		0.191	0.163	0.028
4	6	Dy.DEO (W) Haroonabad	2.282	0.426	1.857
5	4	Dy.deo (W) Fortabbas	1.057	0.000	1.057
	14		0.221	0.000	0.221
	6		0.015	0.000	0.015
6	9	DyDEO (M) Fortabbas	1.511	1.359	0.152
7	1	CEO (DEA) Bahawalnagar	0.523	0.513	0.010
Total			8.659	2.488	6.171

Annexure-I/DEA BWN
[Para 1.2.5.4.12]

Irregular expenditure on POL – Rs 1.105 million

(Amount in rupees)

Sr. No.	Month	KM	POL USED	POL RATE	AMMOUNT	Avg.KM/Day
1	Jul-16	2307	192.25	65.70	16,026	88.73076923
2	Aug-16	2474	206.16	65.70	13,446	95.15384615
3	Sep-16	2613	217.75	65.70	19,155	100.5
4	Oct-16	3071	258.98	65.70	17,015	118.1153846
5	Nov-16	2460	208.35	65.70	13,689	94.61538462
6	Dec-16	2460	205.00	65.70	16,064	94.61538462
7	Jan-17	2413	201.00	67.70	12,983	92.80769231
8	Feb-17	3900	325.00	71.80	22,665	150
9	Mar-17	3657	304.75	74.55	24,265	140.6538462
10	Apr-17	3110	259.16	75.65	20,186	119.6153846
11	May-17	3306	275.50	75.55	23,013	127.1538462
12	Jun-17	1220	101.64	74.35	6,558	46.92307692
13	Jul-17	4254	354.50	72.85	27,645	163.6153846
14	Aug-17	5907	492.25	71.10	47,369	227.1923077
15	Sep-17	4850	404.16	73.10	31,572	186.5384615
16	Oct-17	5670	472.50	75.10	34,893	218.0769231
17	Nov-17	4870	405.83	77.60	35,605	187.3076923
18	Dec-17	5785	482.43	79.10	32,429	222.5
19	Jan-18	6000	504.15	83.20	43,590	230.7692308
20	Feb-18	6220	518.00	86.25	43,849	239.2307692
21	Mar-18	7410	617.50	89.80	56,427	285
22	Apr-18	6030	502.91	87.75	47,356	231.9230769
23	May-18	6843	570.25	89.50	53,128	263.1923077
24	Jun-18	7265	500.98	93.80	27,131	279.4230769
25	Jul-18	4180	348.33	93.80	37,380	160.7692308
26	Aug-18	1990	165.53	97.15	29,641	76.53846154
27	Sep-18	4870	405.83	94.75	38,579	187.3076923
28	Oct-18	5815	484.58	94.75	48,463	223.6538462
29	Nov-18	4510	375.83	99.75	39,924	173.4615385
30	Dec-18	3955	329.58	97.75	34,778	152.1153846
31	Jan-19	5265	438.75	92.90	43,370	202.5
32	Feb-19	5925	493.75	92.30	45,573	227.8846154
33	Mar-19	3635	302.91	94.80	28,716	139.8076923
34	Apr-19	3635	302.91	100.80	30,798	139.8076923
35	May-19	4215	351.25	110.40	41,732	162.1153846
Total		152090	12580.25	2,882.10	1,105,013	

Annexure-J/DEA BWN
[Para 1.2.5.4.13]

Excess/irregular and unauthorized drawl of pay & allowances –
Rs 1.080 million

(Amount in rupees)

Sr. No.	Name	Design with BPS	Date of Regularization	Period	Total
1	Muhammad Waqas Rasheed	EST (CS) BPS 15	30.04.2018	01.05.2018 to 30.06.2018	19,632
2	Muhammad Waqas Rasheed	EST (CS) BPS 15	30.04.2018	01.07.2018 to 30.11.2018	51,075
3	Muhammad Waqas Rasheed	EST (CS) BPS 15	30.04.2018	01.12.2018 to 30.06.2019	71,505
					142,212
4	ABIDA QURASHI	EST(ENG) BPS 15	30.04.2018	01.05.2018 to 30.06.2018	19,632
5	ABIDA QURASHI	EST(ENG) BPS 15	30.04.2018	01.07.2018 to 30.11.2018	51,075
6	ABIDA QURASHI	EST(ENG) BPS 15	30.04.2018	01.12.2018 to 30.06.2019	71,505
					142,212
7	SAHID RASHEED	EST (ENG) BPS 15	30.04.2018	01.05.2018 to 30.06.2018	19,632
8	SAHID RASHEED	EST (ENG) BPS 15	30.04.2018	01.07.2018 to 30.11.2018	51,075
9	SAHID RASHEED	EST (ENG) BPS 15	30.04.2018	01.12.2018 to 30.06.2019	71,505
					142,212
10	MUHAMMAD MAZHAR	EST (Math) BPS 15	30.04.2018	01.05.2018 to 30.06.2018	19,632
11	MUHAMMAD MAZHAR	EST (Math) BPS 15	30.04.2018	01.07.2018 to 30.11.2018	51,075
12	MUHAMMAD MAZHAR	EST (Math) BPS 15	30.04.2018	01.12.2018 to 30.06.2019	71,505
					142,212
13	DEEBA SANA	EST (SCI) BPS 15	30.04.2018	01.05.2018 to 30.06.2018	19,632
14	DEEBA SANA	EST (CS) BPS 15	30.04.2018	01.07.2018 to 30.11.2018	51,075
15	DEEBA SANA	EST (CS) BPS 15	30.04.2018	01.12.2018 to 30.06.2019	71,505
					142,212
16	AQSA RUBAB	EST (CS) BPS 15	30.04.2018	01.05.2018 to 30.06.2018	19,632
17	AQSA RUBAB	EST (CS) BPS 15	30.04.2018	01.07.2018 to 30.11.2018	51,075
18	AQSA RUBAB	EST (CS) BPS 15	30.04.2018	01.12.2018 to 30.06.2019	71,505
					142,212
					853,272
19	NADIA SALEEM	PST BPS 14	30.04.2018	01.05.2018 to 30.06.2018	10,232
20	NADIA SALEEM	PST BPS 14	30.04.2018	01.07.2018 to 30.11.2018	25,580
21	NADIA SALEEM	PST BPS 14	30.04.2018	01.12.2018 to 30.06.2019	35,812
					71,624
22	Rizwana kousar	PST BPS 14	30.04.2018	01.05.2018 to 30.06.2018	10,232
23	Rizwana kousar	PST BPS 14	30.04.2018	01.07.2018 to 30.11.2018	25,580
24	Rizwana kousar	PST BPS 14	30.04.2018	01.12.2018 to 30.06.2019	35,812
					71,624
25	AMNA AKHTAR	PST BPS 14	30.04.2018	01.05.2018 to 30.06.2018	10,232
26	AMNA AKHTAR	PST BPS 14	30.04.2018	01.07.2018 to 30.11.2018	25,580
27	AMNA AKHTAR	PST BPS 14	30.04.2018	01.12.2018 to 30.06.2019	35,812
					71,624
					214,872
28	Hidayat Ullah	EST (G) BPS 15	10.09.2011	10.09.2011 to 30.11.2011	10,251
29	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.12.2011 to 30.11.2012	48,324
30	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.12.2012 to 30.11.2013	48,540
31	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.12.2013 to 30.11.2014	48,768

Sr. No.	Name	Design with BPS	Date of Regularization	Period	Total
32	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.12.2014 to 30.06.2015	28,574
33	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.07.2015 to 30.11.2015	22,640
34	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.12.2015 to 30.06.2016	31,864
35	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.07.2016 to 30.11.2016	25,130
36	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.12.2016 to 30.06.2017	35,392
37	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.07.2017 to 30.11.2017	40,740
38	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.12.2017 to 31.12.2017	8,183
39	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.01.2018 to 30.06.2018	51,312
40	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.07.2018 to 30.11.2018	44,090
41	Hidayat Ullah	EST (G) BPS 15	10.09.2011	01.12.2018 to 30.06.2019	62,006
Total					505,814
					1,068,144
Grand Total					1,573,958

Annexure-C/CEA RYK
[Para 3.2.5.2.1]

Loss due to non collection of Pension Contribution (PC) – Rs 85.793 million

Table 1

(Rupees in million)

Municipal Committee Tehsil Khan Pur					
Sr. No.	Name of Retiree	Post	PPO No.	Date of Retirement	Amount TMA Share
1	Farzana Bibi W/O M. Ishaq Late and daughters	PST	2/DEA	16.08.2015	1.658
2	Saeed-ud-Din S/O Meraj Din	SST	3/DEA	30.11.2016	5.017
3	Muhammad Akram S/O Muhammad Bukhsh	C-IV	4/DEA	31.12.2016	1.212
4	Farhat Rasheeda D/O Abdul Ghani	SST	6/DEA	14.12.2015	2.532
5	Allah Ditta S/O Jind Wada	C-IV	8/DEA	08.06.2016	0.871
6	Muhammad Badar Allam S/O Abdul Karim	PST	9/DEA	01.02.2017	2.546
7	M.Irfan S/O Muhammad Hussain Late	C-IV	11/DEA	28.09.2015	0.821
8	Ghulam Qadir S/O Abdul Karim	EST	12/DEA	15.08.2017	2.536
9	Khurshid Ahmed S/O Manzoor Ahmed	EST	13/DEA	16.06.2017	3.092
10	Nasreen Akhtar D/O Umar Bukhsh	PST	17/DEA	31.01.2016	1.828
11	Rasheed Ahmed S/O Muhammad Bashir	PST	23/DEA	02.11.2017	2.341
12	Muhammad Iqbal S/O Azim-Ud-Din	EST	24/DEA	04.03.2018	3.859
13	Saeeda Bano D/O Muhammad Sharif	PST	25/DEA	06.11.2017	2.566
14	Gaman Khan S/O Ghous Bukhsh	C-IV	27/DEA	01.07.2016	1.087
15	Amna Zartaj D/O Sher Yar Ali	PST	28/DEA	16.01.2018	2.064
16	Muhammad Qais Tariq S/O Abdul Razzaq	PST	29/DEA	17.04.2017	2.344
17	Yousfa Begum D/O Siddi Ahmed Khan	PST	30/DEA	31.12.2017	2.118
18	Noor Ahmed Khan S/O Abdul Rehman Khan	J/C	42/DEA	03.01.2019	2.077
Total Amount					40.569

Table 2

Municipal Committee Tehsil Rahim Yar Khan					
Sr. No.	Name of Retiree	Post	PPO No.	Date of Retirement	Amount TMA Share
1	Rashida Khanum D/O Ghulam Sarwar	PST	7/DEA	15.08.2015	0.864
2	Rukhsana Begum D/O Ghulam Haider	PST	10/DEA	01.08.2017	2.890
3	Ghulam Shabir S/O Ghulam Sarwar	C-IV	14/DEA	25.11.2016	1.245
4	Arshad Jahangir S/O Mukhtar Ahmed	PST	18/DEA	24.02.2018	3.328
5	Hasin Bano D/O Haji Muhammad Sumar	PST	19/DEA	31.12.2017	2.940
6	Muhammad Rasheed S/O Muhammad Hussain	SST	20/DEA	28.02.2018	5.087
7	Iffat Ara D/O Shah Muhammad	PST	21/DEA	08.01.2018	2.372
8	Khan Nawaz S/O Rabeel Nawaz	C-IV	22/DEA	01.09.2015	1.123
9	Habib Ahmed S/O Abdul Ghani	PST	26/DEA	30.04.2018	2.759
10	Kaniz Slama D/O Nazar Muhammad	EST	31/DEA	31.08.2018	2.267

Municipal Committee Tehsil Rahim Yar Khan					
Sr. No.	Name of Retiree	Post	PPO No.	Date of Retirement	Amount TMA Share
11	Rafiq Bano D/O Muhammad Sumar	PST	32/DEA	31.03.2018	3.740
12	Aqeela Bano D/O Muhammad Nawaz	PST	33/DEA	14.02.2018	2.224
13	Shamim Akhtar D/O Abdul Rasheed	PST	35/DEA	01.10.2018	1.999
14	Muhammad Jamil Farooqi S/O Khadim Hussain	C-IV	36/DEA	14.09.2018	1.182
15	Abida Rehman D/O Abdul Rehman	PST	37/DEA	31.07.2018	1.951
16	Talat Maqbool D/O Maqbool Hussain	PST	38/DEA	01.08.2018	2.194
17	Salama Khatoon D/O Mukhtar Ali	EST	39/DEA	09.10.2018	3.173
18	Muhammad Yaqoob S/O Rasheed Ahmed	PST	40/DEA	16.09.2018	1.812
21	Rasheeda Kousar D/O Rehmat Ali	PST	LHR	30.11.2016	2.077
Total Amount					45.227
Total Table 1					40.569
Grand Total Table 1 & 2					85.793

Annexure-D/DEA RYK
[Para 3.2.5.2.4]

Irregular expenditure due to violation of school council policy – Rs 33.140 million

(Rupees in million)

Sr. No.	DDOs	Period	Amou	Nature of Violation
1	Dy. DEO (EE-W) RYK	2018-19	2.450	Beyond the Financial Limit of Rs 400,000 in a financial year by each school.
2	Dy. DEO (EE-W) RYK	2018-19	2.393	Without detailed estimate, approved Design and Specification.
3	Dy. DEO (EE-W) RYK	2018-19	0.243	Purchased items were not listed in School Council Policy and without approval of competent authority
4	Dy. DEO (EE-W) KPR	2017-19	18.367	Without detailed estimate, approved Design and Specification.
5	Dy. DEO (EE-M) KPR	2017-19	2.080	Without detailed estimate, approved Design and Specification.
6	GBHSS Feroza	2015-19	3.818	Composition of School Council, General Body meeting under Supervision of DEO(SE), Tenure of School Council beyond two years, without visit of school council members and in violation of Charts of Accounts
7	GBHSS Feroza	2015-19	1.538	Without Approval of School Council
8	GBHSS Taj Garh	2015-19	2.251	Composition of School Council, General Body meeting under Supervision of DEO(SE), Tenure of School Council beyond two years, without visit of school council members and in violation of Charts of Accounts
Total			33.140	

Annexure-C/DGK

[4.2.5.2.3]

Irregular expenditure in excess of budget allocation - Rs 14.167 million

Fund Center	Detail Object Description	Final Grant	Actual Expenditure	Excess	%
DY6003 - DY DEO (M-EE) TEHSIL TAUNSA DG KHAN	A01270-OTHER	49,672,512	57,833,736	-8,161,224	-16
DY6012 - DY DEO (W-EE) ADMN-KOT CHUTTA	A01270-OTHER	150,300	374,814	-224,514	-149
DY6015 - DY DOE (M) TAUNSA DG KHAN	A0122M-ADHOC RELIEF ALLOWANCE-2016	385,320	807,604	-422,284	-110
DY6015 - DY DOE (M) TAUNSA DG KHAN	A01270-OTHER	150,444	1,272,501	-1,122,057	-746
DY6021 - HM GHS CHOTI ZERIN DG KHAN	A0122M-ADHOC RELIEF ALLOWANCE-2016	64,054	142,437	-78,383	-122
DY6021 - HM GHS CHOTI ZERIN DG KHAN	A01270-OTHER	121,086	245,244	-124,158	-103
DY6023 - HM GHS MIAN PHEROO DG KHAN	A01270-OTHER	283,392	415,461	-132,069	-47
DY6099 - HMS GGH S KOT MAHOI TAUNSA	A01270-OTHER	203,580	253,539	-49,959	-25
DY6121 - HM GGHS SAKHI SARWAR	A01270-OTHER	297,756	345,425	-47,669	-16
DY6149 - PR GOVT CITY H S DG KHAN	A01270-OTHER	347,436	412,353	-64,917	-19
DY6154 - HM GHS CHOTI ZERIN DG KHAN	A01270-OTHER	507,168	558,126	-50,958	-10
DY6171 - HM GHS GUJJAR WALA DG KHAN	A01270-OTHER	33,648	92,532	-58,884	-175
DY6208 - HM GH S MANGROTHA SHARQI TAUNSA	A01270-OTHER	50,760	181,155	-130,395	-257
DY6227 - HMS GGH S MAKWAL KALAN TAUNSA	A01270-OTHER	65,736	103,074	-37,338	-57
DY6233 - HMS GGH S HAIRO SHARIQI TAUNSA	A01270-OTHER	262,260	296,916	-34,656	-13
DY6236 - HMS GGH S DAIRA SHAH TAUNSA	A0122M-ADHOC RELIEF ALLOWANCE-2016	318,936	360,238	-41,302	-13

Fund Center	Detail Object Description	Final Grant	Actual Expenditure	Excess	%
DY6250 - HM GGHS KHYBAN-E-SARWAR D G KHAN	A0122M-ADHOC RELIEF ALLOWANCE-2016	371,496	406,134	-34,638	-9
DY6281 - DY DEO (W) DG KHAN	A01270-OTHER	10,984,252	14,279,758	-3,295,506	-30
DY6286 - DY DEO (W) DG KHAN	A0122M-ADHOC RELIEF ALLOWANCE-2016	672,791	729,014	-56,223	-8
Total				-14,167,134	

Annexure-D/DGK**[4.2.5.2.16]****Unauthorized payment of inadmissible allowances - Rs 2.366 million**

(Rupees in million)

Sr. No.	DDOs	Nature of withdrawal	Amount
1	Dy. DEO (EE-W) Taunsa	Charge Allowance to AEOs	0.074
2		Hill Area Allowance	0.149
3		Charge allowance to teachers	0.054
4	Dy. DEO (EE-M) D.G.Khan	Charge Allowance to AEOs	0.145
5		Science teaching allowance	0.007
6	Dy. DEO (EE-M) Kot Chutta	Charge Allowance to AEOs	0.025
7		Hill Area Allowance	0.031
8		Inadmissible allowance	0.014
9	Dy. DEO (EE-M) Taunsa	Charge allowance to teachers	0.069
10		Ad Hoc allowance 2010	0.033
11		Inadmissible allowance	0.026
12		Charge Allowance to AEOs	0.169
13		Inspection Allowance to teacher	0.375
14	Dy. DEO (EE-W) Kot Chutta	Charge Allowance to AEOs	0.042
15		Charge allowance to teachers	0.026
16		Inadmissible allowance	0.254
17	Dy. DEO (EE-W) D.G.Khan	Inadmissible allowance	0.103
18		Hill allowance	0.095
19		Charge allowance to teachers	0.084
20		Integrated allowance	0.226
21		Inadmissible Allowance	0.037
22		Charge allowance to AEO	0.058
23	Dy. DEO (EE-M) Kot Chutta	Charge allowance to teachers	0.270
Total			2.366

Annexure-C/MGH

[6.2.5.3.7]

**Unauthorized payment of conveyance allowance during leave -
Rs 14.559 million**

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	CEO (DEA)	Leave on full pay	0.013
2		Summer vacation	0.036
3	Dy. DEO (EE-M) Jatoi	Availing conveyance facility	0.060
4		Winter vacation	0.478
5		Summer vacation	0.813
6			0.040
7	Dy. DEO (EE-W) Alipur	Winter vacation	0.390
8		Summer vacation	0.657
9			0.033
10	Dy. DEO (EE-M) Alipur	Leave on full pay	0.083
11		Winter vacation	0.416
12		Summer vacation	0.715
13	Dy. DEO (EE-W) Kot Addu	Leave on full pay	1.191
14		Summer vacation	0.146
15		Winter vacation	1.234
16		Summer vacation	2.110
17	Dy. DEO (EE-W) Muzaffargarh	Leave on full pay	0.517
18		Winter vacation	1.701
19		Summer vacation	2.010
20	Dy. DEO (EE-M) Kot Addu	Summer Vacation	0.076
21		Leave on full pay	0.262
22		Winter vacation	1.249
23	Dy. DEO (EE-M) Muzaffargarh	Leave on full pay	0.216
24		Winter vacation	0.016
25		Summer vacation	0.097
Total			14.559

Annexure-C/RP

[7.2.5.3.11]

Unauthorized payment of inadmissible allowances – Rs 2.754 million

(Rupees in million)

Sr.No.	DDOs	Description	Amount
1	Dy.DE0 (EE-W) Rojhan	Charge Allowance	0.072
2		Inadmissible Allowances	0.198
3		Charge allowance to AEO	0.014
4	Dy.DE0 (EE-M) Rajanpur		0.048
5		Inadmissible Allowances	0.017
6		Qualification Allowance	0.414
7	Dy.DE0 (EE-M) Rojhan	Qualification Allowance	0.029
8		Inadmissible Allowances	0.105
9		Qualification allowance	0.054
10		Charge Allowance	0.084
11	Dy.DE0 (EE-W) Jampur		0.144
12		Qualification allowance	0.058
13		Integrated allowance	0.032
14		Inadmissible allowances	0.485
15		Qualification allowance	0.364
16		Charge allowance to AEO	0.085
17	Dy.DE0 (EE-W) Rojhan	Qualification allowance	0.054
18		Integrated allowance	0.035
19		Inadmissible allowances	0.024
20		Qualification allowance	0.197
21		Charge allowance to AEO	0.027
22	Dy.DE0 (EE-M) Jampur		0.057
23		Qualification allowance	0.014
24		Inadmissible allowance	0.024
25		Charge allowance	0.119
Total			2.754

Annexure-D/RP**[7.2.5.3.19]****Non-realization of receipts and overpayments - Rs 1.387 million**

(Rupees in million)

Sr. No.	DDOs	Description of Receipts	Amount
1	CEO (DEA)	Registration fee	0.132
2	Dy.DEO (EE-W) Rojhan	Fine/penalty	0.112
3		Penalty	0.095
4	Dy.DEO (EE-M) Rajanpur	Overpayment of qualification allowance	0.089
5		Fine/penalty	0.010
6	Dy.DEO (EE-M) Rojhan	One month salary after termination of contract	0.058
7		Overpayment of Hill Allowance	0.037
8		Pay & allowances after resignation	0.020
9	Dy. DEO (EE-W) Jampur	One month salary after termination of contract	0.031
10		Fine/penalty	0.109
11		Auction money	0.060
12	Dy.DEO (EE-W Rajanpur)	One month salary after termination of contract	0.066
13		Fine/penalty	0.025
14		Wrong fixation of pay	0.057
15		Personal allowance	0.030
16		Pay after superannuation	0.050
17	Dy. DEO (EE-M) Jampur	Hill allowance	0.010
18		Fine/penalty	0.074
Total			1.065

Annexure-C/CHN

[Para: 8.2.5.1.8]

Non-deduction of Income and Sales Tax – Rs 2.336 million

(Rupees in million)

Sr. No.	DDOs	Description	No. of Schools	Income Tax	GST	Sales Tax on Services	GST Paid on Exempt Supplies	Total Amount
1	Principal, Government Nusrat Girls High School, Chenab Nagar, Chiniot	Income Tax and Sales Tax on Services was not deducted from payments	01	0.014	0	0.022	0	0.036
2	Headmaster, Government High School, 237 JB, Chiniot	Income Tax was not deducted from payments to teachers for 2 nd shift classes	01	0.019	0	0	0	0.019
		Income Tax was not deducted before making payments to suppliers and GST on exempt supplies was paid to the suppliers		0.023	0	0	0.010	0.033
		Income Tax was paid out of NSB instead of deduction from claims of suppliers		0.023	0	0	0	0.023
3	Deputy District Education Officer (EE-M), Lalian	Income Tax, 1/5 th of GST and PST was not / less deducted from claims	61	0.353	0.151	0.139	0	0.643
4	Deputy District Education Officer (EE-W), Chiniot	Income Tax and Sales Tax on Services was not deducted	46	0.049	0	0.108	0	0.157

Sr. No.	DDOs	Description	No. of Schools	Income Tax	GST	Sales Tax on Services	GST Paid on Exempt Supplies	Total Amount
		from payments						
5	Deputy District Education Officer (EE-W), Bhowana	Taxes were not deducted before making payments to suppliers and GST on exempt supplies was paid to the suppliers	50	0.428	0.090	0.243	0.104	0.865
		Purchases were made from unregistered suppliers and GST @ 17% was not deducted from payments		0	0.201	0	0	0.201
6	CEO, DEA, Chiniot	Income Tax and Sales Tax on Services was not deducted from payments	0	0.017	0	0.157	0	0.174
7	Deputy District Education Officer (EE-M), Chiniot	Sales Tax on Services was not deducted	13	0	0	0.053	0	0.053
		GST was paid either on exempt supplies or unregistered suppliers issued GST invoices	09	0	0	0	0.092	0.092
		Income Tax was not deducted from payments	09	0.040	0	0	0	0.040
Total			190	0.966	0.442	0.722	0.206	2.336

Annexure-D/FSD

[Para: 9.2.5.2.9]

Non-deduction of Income and Sales Tax – Rs 2.292 million

(Rupees in million)

Sr. No.	DDOs	Description	No. of Schools	Income Tax	GST	Sales Tax on Services	GST Paid on Exempt Supplies	Total Amount
1	Headmaster, Government Crescent Model Higher Secondary School, Faisalabad	Income Tax , GST 1/5, Sales Tax on Services GST was not deducted from payments and GST Paid on Exempt supplies	01	0.019	0.006	0.010	0.047	0.082
2	Principal ,Government M.C Girls Higher Secondary School, Samnabad Faisalabad	Income Tax on supplies was not got deposited into relevant head of account	01	0.149	0	0	0	0.149
		GST 1/5 was not withheld and deposited		0	0.133	0	0	0.133
		Advance Income Tax was not deposited by the contractor		0.112	0	0	0	0.112
3	Deputy District Education Officer (EE-W), City Faisalabad	Income Tax, General Sales Tax from unregistered persons and Sales Tax on Services was not deducted from payments	07	0.014	0.017	0.041	0	0.072
		Less deposit of Income Tax & and 1/5 GST		0.023	0.062	0	0	0.085
		Income Tax was not deducted from payments to teachers for 2 nd shift classes	06	0.571	0	0	0	0.571
4	Principal, Government Sabria Sarajia Higher	Income Tax for rendering services , Punjab Sales Tax on Services was not	01	0.074	0.372	0.006	0	0.452

Sr. No.	DDOs	Description	No. of Schools	Income Tax	GST	Sales Tax on Services	GST Paid on Exempt Supplies	Total Amount
	Secondary School Peoples Colony No.2, Faisalabad	deducted & 100% GST was not/less deposited						
5	Principal Government MC Higher Secondary School Allama Iqbal Road, Faisalabad	Income Tax for rendering services , 17% GST and Sales Tax on Services was not deducted from payments	0	0.002	0.053	0.004	0	0.059
6	Deputy District Education Officer (EE-M), Sadar, Faisalabad	GST was not deposited	12	0	0.314	0.	0	0.314
7	Chief Executive Officer, District Education Authority, Faisalabad	Income Tax not deducted	1	0.163	0	0	0	0.163
		Professional tax		0.100	0	0	0	0.100
Total			29	1.227	0.957	0.061	0.047	2.292

Annexure-E/JHG**[Para: 10.2.5.2.10]****Unauthorized payment of pay and allowance – Rs 4.414 million**

(Rupees in million)

Sr. No.	Name of DDO / Office	No. of Employees	Amount	Remarks
1	Headmistress Government Girls High School, Jhang City, District Jhang.	01	0.023	Withdrawal of inadmissible allowances
		0	0.135	Excess withdrawal of Conveyance Allowance during summer/winter vacation
		03	0.489	Excess withdrawal of pay due to availing illegal advance increments
2	Principal Government Higher Secondary School Hassu Balail	01	0.071	Overpayment due to withdrawal of excess pay
		30	0.03	Unauthorized withdrawal of Conveyance Allowance during winter vacation
3	Deputy District Education Officer (EE-M) AP Sial	02	0.03	Unauthorized withdrawal of Charge Allowance
4	Deputy District Education Officer (EE-W), Shorkot	02	0.046	Unauthorized withdrawal of Charge Allowance
		01	0.049	Unauthorized payment of Social Security Benefit
		01	0.216	Excess payment of pay and allowances
5	Deputy District Education Officer (EE-M), 18 Hazari	01	0.018	Unauthorized withdrawal of Charge Allowance
6	Chief Executive Officer (DEA) Jhang	02	1.816	Excess payment of pay and allowances
		09	0.102	Unauthorized withdrawal of Charge Allowance
		01	0.052	Excess withdrawal of pay and allowances
		17	1.337	Excess withdrawal of pay and allowances
Total		71	4.414	

Annexure-F/JHG**[Para: 10.2.5.2.11]****Unauthorized payment of Social Security Benefit – Rs 3.793 million**

(Amount in Rupees)

Sr. No.	Personnel No.	Name of Employees	Designations	Cost Center	Amount
1	31423322	Hafiza Amina Akhtar	EST Teacher	JY6235	258,708
2	31547130	Misbah Inayat	SESE	JY6219	147,060
3	31557808	Sidra Perveen	E.S.T Teacher	JY6028	180,912
4	31562252	Jamshed Ali Naveed	-do-	JY6202	176,076
5	31575212	Iram Bashir	-do-	JY6014	142,224
6	31576029	Barkat Ali Khan	-do-	JY6130	156,732
7	31580169	Abdul Sattar	-do-	JY6151	156,732
8	31583118	Muhammad Iqbal	-do-	JY6202	176,076
9	31584772	Asma Shazad	-do-	JY6030	137,388
10	31575841	Tariq Mahmood	E.S.E	JY6014	125,797
11	31575842	Baqar Raza	PTC Teacher	JY6013	139,459
12	31583046	Syed Muhammad Irfan Mehdi	-do-	JY6015	116,689
13	31583114	Muhammad Tariq Zia	-do-	JY6013	134,905
14	31583167	Nasir Ali Nasir	PST Teacher	JY6028	130,351
15	31591494	Muhammad Zeeshan	PTC Teacher	JY6013	148,567
16	31595893	Muhammad Akram	PST Teacher	JY6013	125,797
17	31583436	Muneer Abbas	-do-	JY6015	130,351
18	31587261	Aamir Shafi	ESE	JY6013	125,797
19	31553137	Ishrat Zahra	SST	JY6028	197,262
20	31584557	Makhdum Jahanian Shah	SSE (Science)	JY6297	174,570
21	31476730	Hakim Ali	Mali	JY6013	134,004
22	31478076	Zafar Iqbal	Naib Qasid	JY6030	134,004
23	31478090	Asgar Ali	-do-	JY6016	139,482
24	31485507	Muhammad Khalid	Mali	JY6015	136,743
25	31580827	Muhammad Usman Ali	Chowkidar	JY6027	166,872
Total					3,792,558

Annexure-G/JHG

[Para: 10.2.5.2.12]

Recovery on account of taxes – Rs 3.135 million

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Income Tax	General Sales Tax	Sales Tax on Services	GST on Exempt Supplies	Amount	Remarks
1	Headmistress Government Girls High School, Jhang City	01	0.008	0.063	0.025	-	0.096	Non-deduction of taxes
2	Principal Government Higher Secondary School Hassu Balail	01	0.016	-	-	-	0.016	
3	Deputy District Education Officer (EE-W), Jhang	25	0.097	-	0.155	-	0.252	
		07	0.072	0.091	-	-	0.163	
4	Deputy District Education Officer (EE-M), AP Sial	26	0.116	0.440	-	-	0.556	
		26	-	-	0.188	-	0.188	
5	Deputy District Education Officer (EE-W), Shorkot	54	-	-	0.248	-	0.248	
		15	-	-	-	0.136	0.136	Unjustified GST
6	Deputy District Education Officer (EE-M), 18-Hazari	14	-	-	-	0.111	0.111	Non-deduction of PST
		12	-	-	0.048	-	0.048	
7	Chief Executive Officer DEA, Jhang	0	-	-	0.581	-	0.581	PST w/o invoice
		0	0.269	-	-	-	0.269	Inclusion of Income Tax in financial bid
		0	-	0.093	-	-	0.093	GST at excessive rate
		0	-	0.378	-	-	0.378	GST through ambiguous invoice
Total		181					3.135	

Annexure – C/LDN
[Para 13.2.5.2.3]

Unauthorized expenditure by School Councils beyond permissible limit
– Rs 30.522 million

(Rupees in million)

Sr. No.	EMIS code	School Name	Total NSB for the year 18-19	Expenditure
1	36620003	GHS KEHROR PACCA	1,302,347	1.302
2	36620012	GGHSS DHANOTE	1,570,798	1.251
3	36610067	GHS MUND HALI	1,128,626	1.128
4	36630025	GGHS DUNYA PUR	1,076,879	1.077
5	36620006	GHSS RIND JADA	1,042,295	1.010
6	36630020	GHS 376/WB DUNYAPUR	896,180	0.896
7	36610008	GHS CHAK HIMTA	883,064	0.883
8	36630008	GHS DUNYA PUR	952,088	0.881
9	36630028	GGHSS 35/M	858,116	0.844
10	36630027	GGHS QUTAB PUR DUNYA PUR	1,519,504	0.835
11	36630191	GGHS BASTI NOOR PIR	824,200	0.824
12	36630002	GGHSS JALLAH ARIAN	885,037	0.815
13	36620011	GHS DHANOTE	801,909	0.801
14	36630001	GHSS MAKHDOOM AALI DUNYA PUR	889,722	0.790
15	36610012	GHS SALSADAR	790,306	0.788
16	36630398	GHS BASTI ISLAM PUR	767,158	0.767
17	36610045	GGHS GOGHAN	867,292	0.765
18	36630006	GHS 253/WB	764,515	0.764
19	36630012	GHS QUTAB PUR SADAT	755,481	0.753
20	36610004	GHS GOGHAN	770,788	0.732
21	36630036	GHS CHAK NO. 5/M	753,737	0.704
22	36610053	GGHS RAWANI	639,055	0.637
23	36610035	GHS MEHR ABAD	612,791	0.613

Sr. No.	EMIS code	School Name	Total NSB for the year 18-19	Expenditure
24	36630015	GHS 35/M	639,259	0.612
25	36610001	GHSS 53 M LODHRAN	598,248	0.598
26	36610080	GHS FAZIL WALA	779,579	0.596
27	36610019	GGHSS ADAM WAHIN LODHRAN	751,266	0.590
28	36630018	GHS 355/WB	586,594	0.587
29	36610047	GGHS CHAK HIMTA	609,366	0.586
30	36630047	GGHS 281-83/WB	589,189	0.586
31	36610007	GHS KOTLA ALI DASTI	576,679	0.576
32	36630023	GHSS JALLA ARIAN	783,995	0.574
33	36620018	GHS NATHAY WALA MOUZA DHAKNA GHARO	580,228	0.563
34	36610015	GHS DANWRAN	686,086	0.561
35	36610003	GHSS LODHRAN	1,175,127	0.539
36	36630059	GGHS 279/WB JANDIR WAH	538,131	0.538
37	36620019	GGHS NATHA WALA	542,350	0.535
38	36610016	GHS GILLAY WALA LODRAAN	832,267	0.533
39	36620025	GGHS RIND JADA	539,779	0.527
40	36610037	GHS CHAMB KULYAR	524,674	0.524
41	36610017	GHS RAWANI	519,322	0.519
42	36630010	GHS 356/WB	518,000	0.518
Total expenditure			33,722,027	30.522

Annexure –D/LDN

[Para 13.2.5.4.5]

**Irregular expenditure due to approval of Defective SMC Committee –
Rs 6.427 million**

(Rupees in million)

Markaz	Sr.No	Name of School	2018-19		2018-19		Total Exp
			NSB Received	Exp	NSB Received	Exp	
BahawalGarah	1	GES Goth Bahar	305543	210277	468980	303037	0.513
BahawalGarah	3	GPS Khajjianwala	252201	139335	311039	240022	0.379
Dhonot	4	GPS Hamid Pur	237625	204422	186369	165224	0.370
Dhonot	5	GPS JandiWala	205314	182415	213491	109083	0.291
Dhonot	6	GPS JavidanWala	193103	100156	238791	172000	0.272
Dhonot	7	GPS Khokharan	171898	134478	126131	53426	0.188
Dhonot	8	GPS KotlaHussain Shah	238785	208796	201144	199982	0.409
Dhonot	9	GPS Liqat Abad	157349	124000	189064	116337	0.240
Dhonot	10	GPS Low Income Dhanot	1167768	233947	1158826	306018	0.540
Dhonot	11	GPS NarinWala	278373	224986	187402	118200	0.343
Dhonot	12	GPS Rapper	1088937	31065	1331807	324106	0.355
Rind Jadha	13	GES Anyat Ali	1276584	574875	973707	151500	0.726
Rind Jadha	14	GES KhajiWala No.1	170908	0	594039	500348	0.500
Rind Jadha	15	GPS BurhanPur	669955	232855	685771	185225	0.418
Rind Jadha	16	GPS SabezKot	348977	323196	184117	129568	0.453
KahroorPacca	17	GPS Dhudi	718070	256042	990990	172126	0.428
Total							6.427

Annexure –E/LDN

[Para 13.2.5.4.6]

**Irregular expenditure from NSB funds without preparation of Annual Plan
– Rs 6.427 million**

(Rupees in million)

Markaz	Sr.No	Name of School	2018-19		2018-19		Total Exp
			NSB Received	Exp	NSB Received	Exp	
BahawalGarah	1	GES Goth Bahar	305543	210277	468980	303037	0.513
BahawalGarah	3	GPS Khajjianwala	252201	139335	311039	240022	0.379
Dhonot	4	GPS Hamid Pur	237625	204422	186369	165224	0.370
Dhonot	5	GPS JandiWala	205314	182415	213491	109083	0.291
Dhonot	6	GPS JavidanWala	193103	100156	238791	172000	0.272
Dhonot	7	GPS Khokharan	171898	134478	126131	53426	0.188
Dhonot	8	GPS KotlaHussain Shah	238785	208796	201144	199982	0.409
Dhonot	9	GPS Liqat Abad	157349	124000	189064	116337	0.240
Dhonot	10	GPS Low Income Dhanot	1167768	233947	1158826	306018	0.540
Dhonot	11	GPS NarinWala	278373	224986	187402	118200	0.343
Dhonot	12	GPS Rapper	1088937	31065	1331807	324106	0.355
Rind Jadha	13	GES Anyat Ali	1276584	574875	973707	151500	0.726
Rind Jadha	14	GES KhajiWala No.1	170908	0	594039	500348	0.500
Rind Jadha	15	GPS BurhanPur	669955	232855	685771	185225	0.418
Rind Jadha	16	GPS SabezKot	348977	323196	184117	129568	0.453
KahroorPacca	17	GPS Dhudi	718070	256042	990990	172126	0.428
Total							6.427

Annexure –C/MLN

[Para 14.2.5.3.4]

Illegal retention of the Government money- Rs 9.630 million

C .center	Cast center description	G/L Acc	G/L Acc Description	Document No	Posting Date	Amount	PST
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901185038	28.06.2019	0.072	0.012
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901227553	28.06.2019	0.446	0.071
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901227560	28.06.2019	0.648	0.104
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901289017	28.06.2019	0.809	0.129
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901185039	28.06.2019	0.118	0.019
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901185041	28.06.2019	0.242	0.039
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901227554	28.06.2019	0.189	0.030
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901208506	28.06.2019	1.467	0.235
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901227552	28.06.2019	0.439	0.070
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901227559	28.06.2019	0.205	0.033
MC6025	DY. DO (M-EE) JALAL PUR	A03919	Others Service Rendered	1901289018	28.06.2019	0.352	0.056
Sub Total						4.988	0.798
Amount pertaining to Dy DEO EE-W Shujabad						4.642	0.743
Total						9.630	1.541

Annexure –D/MLN

[Para 14.2.5.3.5]

Unauthorized payment of pay and allowances – Rs 8.774 million

Sr. No.	Para No.	Name of Formation	Subject	Amount
1	13	CEO DEA Multan	Excess payment of adhoc relief allowance, 2016	1.678
2	16	CEO DEA Multan	Irregular payment of mobility allowance to the literacy teachers	0.36
3	2	Dy DEO EE-M Sadar Multan	Excess payment of adhoc relief allowance, 2016	0.423
4	3	Dy DEO EE-M Sadar Multan	Unauthorized payment of integrated allowances	0.095
5	4	Dy DEO EE-M Sadar Multan	Unauthorized payment of science teaching allowance	0.021
6	5	Dy DEO EE-M Sadar Multan	Excess payment of House Rent Allowance	0.06
7	8	Dy DEO EE-M Sadar Multan	Excess payment of Personal Allowance	3.947
8	1	Dy DEO (EE-W) Jalalpur Pirwala	Inadmissible payment of Charge Allowance	0.075
9	4	Dy DEO (EE-W) Jalalpur Pirwala	Payment of integrated / dress allowance without entitlement	0.156
10	11	Dy DEO (EE-W) Shujabad	Unauthorized payment of inspection allowance to the educators	0.428
11	15	Dy DEO (EE-W) Shujabad	Excess payment of adhoc relief allowance, 2016	0.219
12	16	Dy DEO (EE-W) Shujabad	Excess payment of House Rent Allowance	0.163
13	21	Dy DEO (EE-W) Shujabad	Unauthorized payment of integrated allowances	0.018
14	13	Dy DEO (EE-M) Jalalpur Pirwala	Excess payment of adhoc relief allowance, 2016	0.324
15	20	Dy DEO (EE-M) Jalalpur Pirwala	Unauthorized payment of integrated allowances	0.042
16	6	Dy DEO (EE-W) Jalalpur Pirwala	Excess payment of pay and allowances after retirement	0.396
17	12	Dy DEO (EE-M) Jalalpur Pirwala	Excess payment of pay and allowances after retirement	0.369
Total				8.774

Annexure –E/MLN

[Para 14.2.5.3.9]

Purchase from black listed firm- Rs 4.827 million

Office	Name of schools	F.Y.	Date	Bill No.	Name of Firm	Nature of expenditure	Amount
Dy DEO EE-W Shujabad	GMPS Khalilabad	2017-18	14.07.17	34	Al-Hadi Enterprises	Tablet	0.017
	GMPS Khalilabad	2017-18	29.11.17	57	Al-Hadi Enterprises	Teacher chairs table and plants	0.040
	GMPS Khalilabad	2017-18	02.04.18	246	Al-Hadi Enterprises	Construction material with labour	0.035
	GMPS Khalilabad	2017-18	25.04.18	247	Al-Hadi Enterprises	Main gate repair, paint items and furniture repair with labour, teacher table and chairs etc.	0.040
	GGPS Chah Kamal Wala	2018-19	21.01.19	523	Al-Hadi Enterprises	White wash,labour,paint etc	0.050
	GGPS Chah Kamal Wala	2017-18	23.1.18	115, 116	Al-Hadi Enterprises	Teezab, stationery, plants and construction material etc. with labour cost	0.050
	GGPS Bahadurpur No.2	2018-19	15.01.19	519	Al-Hadi Enterprises	Stationery, crockery and plants etc.	0.043
	GGPS Bahadurpur No.2	2018-19	22.10.18	435	Al-Hadi Enterprises	Paint material with labour charges	0.045
	GGPS Bahadurpur No.2	2018-19	Nil	434	Al-Hadi Enterprises	Construction material with labour	0.048

Office	Name of schools	F.Y.	Date	Bill No.	Name of Firm	Nature of expenditure	Amount
	GGPS Bahadurpur No.2	2018-19	01.05.19	504	Al-Hadi Enterprises	Cleaning of gutter, construction and painting material with labour cost	0.045
Sub-total							0.413
Schools under command of Dy DEO EE-W Shujabad					Al-Hadi Enterprises	Miscellaneous items	4.414
Total							4.827

Annexure –F/MLN**[Para 14.2.5.3.12]****Irregular withdrawal of Inspection Allowance -Rs 2.598 million**

F.Y.	Pers.no.	Name of Employee	Job Title	Cost Center	Wage Type Description	Total
2018-19	31560215	Waqar Saeed Bhutta	AEO (W)	MC6034	Adj. Inspection Allowance	0.283
2018-19	31572599	Fahad Ansari	AEO (W)	MC6034	Adj. Inspection Allowance	0.278
2018-19	31581857	Muhammad Imran	AEO	MC6034	Adj. Inspection Allowance	0.279
2018-19	31837910	Sara Hamid	AEO (W)	MC6034	Adj. Inspection Allowance	0.258
2018-19	31859671	Tauseef Safdar	AEO (W)	MC6034	Adj. Inspection Allowance	0.283
2018-19	32028555	Ubaid Ur Rehman	AEO	MC6034	Adj. Inspection Allowance	0.283
2018-19	32030747	Muhammad Riaz	AEO (W)	MC6034	Adj. Inspection Allowance	0.283
2017-18	31560215	Waqar Saeed Bhutta	AEO (W)	MC6034	Adj. Inspection Allowance	0.069
2017-18	31572599	Fahad Ansari	EST	MC6034	Adj. Inspection Allowance	0.069
2017-18	31581857	Muhammad Imran	SST	MC6034	Adj. Inspection Allowance	0.069
2017-18	31658063	Muhammad Sajid	AEO (W)	MC6034	Adj. Inspection Allowance	0.069
2017-18	31764145	Muzammil Hussain	AEO (W)	MC6034	Adj. Inspection Allowance	0.069
2017-18	31837898	Arslan Ameer	AEO (W)	MC6034	Adj. Inspection Allowance	0.069
2017-18	31859671	Tauseef Safdar	AEO (W)	MC6034	Adj. Inspection Allowance	0.069
2017-18	32028555	Ubaid Ur Rehman	AEO	MC6034	Adj. Inspection Allowance	0.069
2017-18	32030747	Muhammad Riaz	AEO (W)	MC6034	Adj. Inspection Allowance	0.094
Total						2.598

Annexure –G/MLN

[Para 14.2.5.3.13]

Unauthorized payment in cash instead of crossed cheque- Rs 1.687 million

(Rupees in million)

Date of drawl	Particular	Amount
19.02.2018	Cash Withdrawal	0.292
14.5.2018	Cash Withdrawal	0.031
26.6.2018	Cash Withdrawal	0.141
3.7.2018	Cash Withdrawal	0.128
5.7.2018	Cash Withdrawal	0.083
2.11.2018	Cash Withdrawal	0.015
14.12.2018	Cash Withdrawal	0.046
8.01.2019	Cash Withdrawal	0.065
12.03.2019	Cash Withdrawal	0.029
23.5.2019	Cash Withdrawal	0.119
30.5.2019	Cash Withdrawal	0.058
12.7.2019	Cash Withdrawal	0.082
12.7.2019	Cash Withdrawal	0.187
12.7.2019	Cash Withdrawal	0.038
15.7.2019	Cash Withdrawal	0.357
18.7.2019	Cash Withdrawal	0.016
Total		1.687

Annexure –H/MLN**[Para 14.2.5.4.4]****Blockage of the Government funds – Rs 21.676 million****(Rupees in million)**

Name of school	Date of deposit	Amount
GES NANDLA	13.6.17	0.942
GES Bangal Wala	13.6.17	1.042
GES GANMOON WALA	12.6.17	1.042
GES INAYAT PUR	13.6.17	1.042
GES BOSAN HITHAR	14.6.17	0.922
GPS HAMIDPUR MURAKHA	14.6.17	0.882
GPS JHOK ARBI	14.6.17	0.491
GES KOTLI BAKHSHOO KHAN	14.6.17	1.042
GES BASTI KHADAL KLAN	14.6.17	0.511
GPS KHADAL KHURD	13.6.17	0.591
GES SUJANPUR Multan	13.6.17	0.942
GES Sadiqabad Mills	12.6.17	1.042
GPS KOT WASSURAM	13.6.17	0.491
GES Qadir pur Ran	13.6.17	1.062
GES Azam Hans	9.6.17	1.005
GES Mubarak Pur	13.6.17	1.142
G.E.S Tibba Pir Tannun	13.6.17	1.062
GES Makhdoompur	13.6.17	1.062
GES BASTI GAGRA	12.6.17	0.922
GES 7/ 8 Faiz	13.6.17	1.162
GES 1/Gulzar	13.6.17	1.042
GES BUCH	12.6.17	1.062
GES LABER	12.6.17	1.174
Total		21.676

Annexure –I/MLN

[Para 14.2.5.5.6]

Irregular payments for brick work without bricks tests reports – Rs 54.061 million

(Rupees in million)

Sr. No.	Bill	Name of Scheme	Ratio	Quantity	Rate	Unit	Amount	Recovery 7%
1	6th R.Bill	Up-gradation of Elementary School to High Level Basti Khokhran (Boys) District Multan.	F&P	6785	17186.3	% Cft	1.166	0.08
			G.F	8047	18387.5	% Cft	1.480	0.10
2	7th R.Bill	Up-gradation of GBES Bosan Hitar to High Level Multan.	F&P	7889	17186.3	% Cft	1.356	0.09
			G.F	6791	18387.5	% Cft	1.249	0.09
3	6th R.Bill	Up-gradation of GBMS Nandla Multan to High Level	F&P	4106	17186.3	% Cft	0.706	0.05
			G.F	4090	18387.5	% Cft	0.752	0.05
4	3rd R.Bill	Up-gradation of Govt. Boys Primary School Jhoke Balo to Middle Level	F&P	9203	17186.3	% Cft	1.582	0.11
			G.F	6621	18387.5	% Cft	1.217	0.09
5	5th R.Bill	Up-gradation of GGPS Kirpal Pur Basti Mani Wala to Middle Level Tehsil & District Multan	F&P	7256	17186.3	% Cft	1.247	0.09
			G.F	6897	18387.5	% Cft	1.268	0.09
6	5th R.Bill	Up-gradation of GBPS to Middle Level 4-T District Multan	F&P	7568	17186.3	% Cft	1.301	0.09
			G.F	7555	18387.5	% Cft	1.389	0.10
7	9th R.Bill	Establishment of Govt. Girls High School in UC-127 Qasim Bela District	F&P	27534	16143.5	% Cft	4.445	0.31
			G.F	10357	17246.53	% Cft	1.786	0.13

Sr. No.	Bill	Name of Scheme	Ratio	Quantity	Rate	Unit	Amount	Recovery 7%
		Multan						
8	10th R.Bill	Up-gradation of Govt. Girls High School to Higher Secondary School Sikandarabad Tehsil Shujabad	F&P	11642	14494.67	% Cft	1.687	0.12
			G.F	7813	15512.79	% Cft	1.212	0.08
9	8th R.Bill	Up-gradation of School from Elementary to High Basti Sultan Pur Hammar (Girls) District Multan	F&P	9039	17186.3	% Cft	1.553	0.11
			G.F	6393	18387.5	% Cft	1.176	0.08
10	2nd R.Bill	Up-gradation of Elementary to High Leve Farooq Pura (Girls)	F&P	3060	17186.3	% Cft	0.526	0.04
			G.F	3136	18387.5	% Cft	0.577	0.04
11	7th R.Bill	Up-gradation of GPES 6-T Multan to High Level District Multan	F&P	8677	17186.3	% Cft	1.491	0.10
			G.F	7087	18387.5	% Cft	1.303	0.09
12	6th R.Bill	GMPS 5-T Janobi Multan to Middle Level District Multan	F&P	430	3696	% Cft	0.016	0.00
			G.F	7527	18387.5	% Cft	1.384	0.10
13	5th R.Bill	GMPS Basti Kothay Wala Multan to Middle Level District Multan	F&P	6784	17186.8	% Cft	1.166	0.08
			G.F	7768	18387.5	% Cft	1.428	0.10
14	7th R.Bill	Primary School Aminabad Basti Barar to Upgraded as Middle Level	F&P	7382	17186.3	% Cft	1.269	0.09
			G.F	8149	18387.5	% Cft	1.498	0.10
15	6th R.Bill	Boys Middle School Gharwala UC Inayat Pur BC Upgraded As High School UC Theh Kalan, District	F&P	7725	17186.3	% Cft	1.328	0.09
			G.F	7163	18387.5	% Cft	1.317	0.09

Sr. No.	Bill	Name of Scheme	Ratio	Quantity	Rate	Unit	Amount	Recovery 7%
		Multan						
16	7th R.Bill	Up-Gradation of High School Pir Wala Basti Hamid Pur to Higher Secondary Level Boys District Multan	F&P	14744	16155.12	% Cft	2.382	0.17
			G.F	7794	17284.25	% Cft	1.347	0.09
17	6th R.Bill	Up-Gradation of GGHS 12-MR to Higher Secondary Level District Multan	F&P	6433	17823.6	% Cft	1.147	0.08
			G.F	8065	17164.73	% Cft	0.138	0.01
18	6th R.Bill	New Boys, Girls Primary School Pathan Wala Mouza Mochi Panooha UC Inyat Pur	F&P	9347	17126.3	% Cft	1.601	0.11
			G.F	8385	18387.56	% Cft	1.542	0.11
19	6th R.Bill	Up-Gradation of GBHS Matotaly to Higher Secondary Level	F&P	11772	15945.45	% Cft	1.877	0.13
			G.F	8479	17059.92	% Cft	1.447	0.10
21		Up-Gradation of GGMPs of Kot Imam Din Shah Moosa Shujabad	F&P	7049	17186.3	% Cft	1.211	0.08
			G.F	8123	18387.5	% Cft	1.494	0.10
Grand Total							54.061	3.76

Annexure –C/PPN

[Para 15.2.5.2.11]

Excess Payment of Pay and Allowances – Rs 2.909 million

(Rupees in million)

Sr. No.	Personal No.	Name Of Employee	Design.	Date of Regul.	Period	SSB @30%	Basic Pay	Ad Hoc Allow. 2017 and 2018 @ 10%	Total
1	31561464	AzraNaveed	ESE	07.08.15	07-08-15 to 30-06-19	165,674	38,700	7,710	0.212
2	31587265	SughranHaneef	PST	07.08.15	07-08-15 to 30-06-19	165,674	38,700	7,710	0.212
3	31620056	AnillaRaiz	ESE	07.08.15	07-08-15 to 30-06-19	165,674	38,700	7,710	0.212
4	31569469	SaimaSafdar	ESE	07.08.15	07-08-15 to 30-06-19	165,674	38,700	7,710	0.212
5	31569223	ZaibEllahi	ESE	07.08.15	07-08-15 to 30-06-19	165,674	38,700	7,710	0.212
6	31607867	KousarParveen	ESE	07.08.15	07-08-15 to 30-06-19	165,674	38,700	7,710	0.212
7	31592411	Mehwish Gill	SESE	07.08.15	07-08-15 to 30-06-19	194,286	51,960	10,392	0.257
8	31569553	Zahidaparveen	ESE	07.08.15	07-08-15 to 30-06-19	165,674	38,700	7,710	0.212
9	31563858	HumaIqbal	EST	07.08.15	07-08-15 to 30-06-19	165,674	38,700	7,710	0.212
10	31563715	Sonia Amin	EST	07.08.15	07-08-15 to 30-06-	165,674	38,700	7,710	0.212

Sr. No.	Personal No.	Name Of Employee	Design.	Date of Regul.	Period	SSB @30%	Basic Pay	Ad Hoc Allows. 2017 and 2018 @ 10%	Total
					19				
11	31435291	NasiraSaeed	SESE	19.10.09	19-10-09 to 30-06-19	19,200	4,200		0.023
12	31596346	SumairaShahid	ESE	07.08.15	07-08-15 to 30-06-19	165,674	38,700	7,710	0.212
13	31454510	ShahidaParveen	PST	19.10.09	19-10-09 to 30-06-19	249,340			0.249
14	31450393	AfshanMusrat	ESE	19.10.09	19-10-09 to 30-06-19	9,168			0.009
15	31450398	ParveenBibi	PST	19.10.09	19-10-09 to 30-06-19	249,340			0.249
Total						2,378,074	443,160	87,492	2.909

Annexure –D/PPN

[Para 15.2.5.2.15]

Unjustified withdrawal of pay without date of joining – Rs 2.331 million

(Rupees in million)

Pers.No.	Name of Employee	Date of Joining	Cost Center	Total
30901275	SANA ULLAH	00.00.0000	PY6016	0.261
30912054	MUHAMMAD SALEEM	00.00.0000	PY6016	0.500
30943023	IQBAL HUSSAIN	00.00.0000	PY6016	0.392
31562775	MUHAMMAD YAR AFTAB	00.00.0000	PY6016	0.118
31562804	LAL KHAN	00.00.0000	PY6016	0.169
31563167	TOUSEF AHMAD	00.00.0000	PY6016	0.158
31788709	MOHAMMAD RAMZAN	00.00.0000	PY6016	0.098
31977695	MUHAMMAD BOOTA SAJID	00.00.0000	PY6016	0.177
31978103	USMAN JAMIL	00.00.0000	PY6016	0.157
32083771	MUHAMMAD NAVEED AJMAL	00.00.0000	PY6016	0.157
32092362	MUHAMMAD MAZHAR	00.00.0000	PY6016	0.142
Total				2.331

Annexure –E/PPN

[Para 15.2.5.3.3]

Non- deduction of liquidated damages of Rs Rs10.116 million

(Rupees in million)

Sr. No.	ADP No.	Name of Schemes	AA Date	Tender Date	TS Amount (Rs in million)	Time Limit	Date of work award	Date of Required Completion	Penalty @10%	Date of request for handing / taking over by Building Deptt.
1	955	Upgradation of GGES 25/KB to secondary level	1.8.17	9.9.17	6.963	06 months	20.12.17	19.06.18	0.696	NIL
2	491	Up-gradation of GGHS 109/EB to Higher secondary school	14.11.15	30.1.16	21.203	12 months	10.06.16	09.06.17	2.120	NIL
3	492	Up-gradation of GGPS 46/SP to M/S	1.8.2017	9.9.17	5.482	05 months	11.12.17	10.05.18	0.548	NIL
4	722	Up-gradation of GGPS 65/D to M/S	1.8.2017	9.9.17	4.586	04 months	11.12.17	10.04.18	0.459	NIL
5	723	Up-gradation of GPS FazalGarh to M/S	1.8.2017	9.9.17	5.482	5 months	04.01.18	03.05.18	0.548	NIL
6	724	Up-gradation of GGPS FazalGarh to M/S	1.8.2017	9.9.17	5.482	5 months	11.12.17	10.05.18	0.548	NIL
7	725	Up-gradation of GES 46/SP to H/S	6.12.17	22.1.18	9.55	6 months	15.03.18	14.09.18	0.955	NIL
8	726	Up-gradation of GGES 32/SP to H/S	1.8.2017	9.9.17	7.302	6 months	11.12.17	10.06.18	0.730	NIL
9	727	Up-gradation of GGPS 23/SP to M/S	1.8.2017	9.9.17	4.586	04 months	20.12.17	19.04.18	0.459	18.07.19

Sr. No.	ADP No.	Name of Schemes	AA Date	Tender Date	TS Amount (Rs in million)	Time Limit	Date of work award	Date of Required Completion	Penalty @10%	Date of request for handing / taking over by Building Deptt.
10	728	Up-gradation of GPS 30/SP to M/S	1.8.2017	9.9.17	4.586	04 months	11.12.17	10.04.18	0.459	25.10.2018
11	729	Up-gradation of GGPS 167/EB to M/S	1.8.2017	9.9.17	4.586	04 months	11.12.17	10.04.18	0.459	28.01.19
12	730	Up-gradation of GGES 48/EB to H/S	1.8.2017	9.9.17	7.317	6 months	11.12.17	10.06.18	0.732	28.01.19
13	908	Up-gradation of GES 90/D to H/S	1.8.2017	9.9.17	8.232	6 months	11.12.17	10.06.18	0.823	NIL
14		Up-gradation of GGPS 62/D to M/S			5.798				0.580	NIL
Total									10.116	

Annexure –F/PPN**[Para 15.2.5.3.4]****Irregular expenditure from NSB funds without preparation of Annual Plan
–Rs 3.146 million****(Rupees in million)**

SR NO.	NAME OF SCHOOL	PREVIOUS NSB BALANCE	NSB RECEIVED GRANT	TOTAL NSB	UTILIZED NSB
1	GPS141EB	91080	224146	315226	0.249
2	GPS. 22/EB	989	23 8 330	23931 9	0.200
3	GPS BilaraLakhoKa	1003	318640	319643	0.274
4	GES 109 EB	0	750412	750412	0.457
5	GPS 211 EB	13307	135904	149211	0.141
6	GES 85 EB	107181	307,788	414,969	0.206
7	GPS 31 KB	4677	122297	126974	0.077
8	GPS 135 EB	1860	139263	141123	0.104
9	GPS 131 EB	2663	119519	122182	0.065
10	GPS 121 EB	471	89511	89982	0.045
11	GES 113 EB	6002	351143	357145	0.178
12	GES 115 EB	1070	127961	129031	0.068
13	GPS 133 EB	937	153100	154037	0.153
14	GPS 86/EB	51719	179071	230790	0.213
15	GES 62/EB	481205	423904	905109	0.423
16	GES 38/EB	2171.3	343034	345205.3	0.139
17	GPS 82-A/EB	37	182057	182094	0.154
Total					3.146

Annexure –G/PPN

[Para 15.2.5.4.1]

Un-authorized revised allocation of funds against ‘Nil’ Budget-Rs 53.748 million

(Rupees in million)

Sr. No.	Fund Center	Detail Object Description	Budget Grant	Supple. Budget	Final Grant	Releases	Actual Expenditure on date
1	PY8996 - CEO DEA (DEVELOP) PAKPATTAN	A12403-OTHER BUILDINGS	0	21.296	21.296	21.296	13.548
2	PY8997 - DEO LITERACY (DEVELOP.) PAKPATTAN	A01106-PAY OF CONTRACT STAFF	0	0.458	0.458	0.458	0.000
3	PY8997 - DEO LITERACY (DEVELOP.) PAKPATTAN	A0120F-MOBILITY ALLOWANCE	0	1.350	1.350	1.350	0.233
4	PY8997 - DEO LITERACY (DEVELOP.) PAKPATTAN	A03930-VOCATIONAL AND MANPOWER TRAINING	0	0.143	0.143	0.143	0.031
5	PY8997 - DEO LITERACY (DEVELOP.) PAKPATTAN	A03806-TRANSPORTATION OF GOODS (GOVT)	0	0.065	0.065	0.065	0.037
6	PY8997 - DEO LITERACY (DEVELOP.) PAKPATTAN	A03201-POSTAGE AND TELEGRAPH	0	0.009	0.009	0.009	0.000
7	PY8997 - DEO LITERACY (DEVELOP.) PAKPATTAN	A03202-TELEPHONE AND TRUNK CALL	0	0.068	0.068	0.068	0.027
8	PY8997 - DEO LITERACY	A03805-TRAVELLING	0	0.072	0.072	0.072	0.008

Sr. No.	Fund Center	Detail Object Description	Budget Grant	Supple. Budget	Final Grant	Releases	Actual Expenditure on date
	(DEVELOP.) PAKPATTAN	ALLOWANCE					
9	PY8997 - DEO LITERACY (DEVELOP.) PAKPATTAN	A03901- STATIONERY	0	0.185	0.185	0.185	0.082
10	PY8997 - DEO LITERACY (DEVELOP.) PAKPATTAN	A03905- NEWSPAPERS PERIODICALS AND BOOKS	0	0.233	0.233	0.233	0.075
11	PY8997 - DEO LITERACY (DEVELOP.) PAKPATTAN	A03970-OTHERS	0	29.856	29.856	29.856	27.019
12	PY8997 - DEO LITERACY (DEVELOP.) PAKPATTAN	A13101-R & M OF MACHINERY AND EQUIPMENT	0	0.015	0.015	0.015	0.004
Total			0	53.748	53.748	53.748	41.063

Annexure –H/PPN

[Para 15.2.5.4.2]

**Irregular Expenditure due to approval of defective SMC Committee –
Rs 2.133 million**

(Rupees in million)

SR NO.	NAME OF SCHOOL	PREVIOUS NSB BALANCE	NSB RECEIVED GRANT	TOTAL NSB	UTILIZED NSB
1	GPS141EB	91080	224146	315226	0.249
2	GPS 12 EB	372218	237,113	609529	0.119
3	GPS. 22/EB	989	23 8 330	23931 9	0.200
4	GPS BilaraLakhoKa	1003	318640	319643	0.273
5	GPS 119 EB	181130	282281	463411	0.457
6	GES 109 EB	0	750412	750412	0.458
7	GPS 343 LOT	503	72396	72899	0.030
8	GPS 211 EB	13307	135904	149211	0.141
9	GES 85 EB	107181	307,788	414,969	0.206
TOTAL		767411	2328680	3095300	2.133

Annexure –C/SWL

[Para 16.2.5.2.4]

**Irregular withdrawal of pay and allowances by higher scale employees
against the lower scale sanctioned post - Rs 37.052 million**

(Rupees in million)

Sr. No.	Personal No.	Name of Employee	Post Name	Cost Center Description	Cost Center	Pay scale of post		Pay Drawn (Basic)
						Sanction Scale	Actual Drawl Scale	
1	31473038	Irfanullah Farooq	Head Master	G H S 50 12-L (Primary)	SC6144	16	17	0.408
2	30377887	Abdul Sattar	Head Master	G H S 31 14-L CCE (Primary)	SC6169	16	17	0.916
3	30363454	Rukhshanda Bashir (M-Z)	Head Mistress	G(MC) GHS CCI TMA	SC6220	17	18	1.149
4	30362923	Noor Afshan	Principal	G M C G H S Ghalla Mandi Swl	SC6226	19	20	1.442
5	30443877	Sobia Razzaq	Head Mistress	G G H S 55 4-R SWL	SC6231	17	18	0.606
6	30366525	Durakhshanda Zaeem	Senior Head Mistress	G.G.H.S 135 9-L	SC6242	17	18	1.100
7	30376242	Rifat Latif	Senior Head Mistress	G G H S 138 9-L	SC6243	17	18	0.618
8	30362918	Sughra Ali (S-Z-I)	Principal	GGHSS Jahaz Ground sahiwal	SC6245	19	20	1.199
9	30363729	Khalida Perveen	Principal	G G H S chichawatni	SC6246	18	19	1.171
10	30368422	Samina Iqbal	Senior Head Mistress	Govt G H S 5 11-L	SC6249	17	18	0.687
11	30278774	Kahkshan Naz	Senior Head Mistress	Govt G H S 9 14-L SWL	SC6252	17	18	0.687
12	30364207	Ghulam Mustafa Kanwal	Head Master	G H School Dadra Bala	SC6279	17	18	0.790
13	30369155	Liaqat Ali (AL-M)	Senior Headmaster	G H S 2 10-L Swl	SC6280	17	18	1.149
14	30369014	Muhammad Suleman (MZ-II)	Head Master	G H S 64 4-R SWL	SC6286	17	18	1.149
15	30850395	Ghulam Mustafa	Senior Headmaster	G H S 74 4-R SWL	SC6290	17	18	0.825
16	30769370	Muhammad Javed Akhtar	Senior Headmaster	G H S 111 9-L SWL	SC6305	17	18	1.149
17	30372430	Kamran Aziz Khan	Senior Headmaster	G H S 129 9-L SWL	SC6308	17	18	0.756

Sr. No.	Personal No.	Name of Employee	Post Name	Cost Center Description	Cost Center	Pay scale of post		Pay Drawn (Basic)
						Sanction Scale	Actual Drawl Scale	
18	30364297	Syed Ali Raza	Principal	G H S 138 9-L SWL	SC6310	18	19	1.171
19	30369381	Abdul Hamid (A-LM)	Head Master	G H S 190 9-AL SWL	SC6317	17	18	1.149
20	30369013	Bashir Ahmed Zahid (AL)	Head Master	G H S 60 5-L SWL	SC6319	17	18	1.149
21	30635656	Abdul Salam	Head Master	G H S 78 5-L SWL	SC6320	18	19	1.443
22	30367115	Tahir Pervaiz	Senior Headmaster	G H S 77 5-R SWL	SC6322	17	18	0.928
23	30783117	Zafar Hussain	Senior Headmaster	G H S CCE Village	SC6326	17	18	0.756
24	30371293	Shabir Hussain Shahid	Senior Headmaster	G H S 9 11-L CCE	SC6336	17	18	0.790
25	30371106	Tariq Masood Shah Mzm	Senior Headmaster	G H S 20 14-L	SC6341	17	18	1.149
26	30364334	Tulmeez Ul Hussnain	Head Master	G H S 102 12-L CCE	SC6354	17	19	1.354
27	30368766	Muhammad Tahir Rasul	Senior Headmaster	G H School 108 7-R CCI	SC6357	17	18	0.687
28	30811325	Muhammad Alam	Head Master	G H S 164 9-L SWL	SC6365	17	18	1.149
29	30368924	Khizar Hayat Akhtar (ALM)	Head Master	G H S 180 9-L SWL	SC6367	17	18	1.135
30	30278191	Muhammad Amjad Shaheen	Senior Headmaster	G H S S 14 14-L CCE	SC6370	17	18	1.031
31	30278992	Ghulam Rasool Mujahid	Head Master	G H S 23 14-L CCI	SC6376	17	18	1.149
32	30376957	Rohila Mohsin	Head Mistress	GG(MC) JR MOD SCH 3 JG TMA SWl	SC6382	17	18	1.100
33	30368309	Razia Nasir (MZW)	Head Master	G.G.H school 44/12-L CCI	SC6402	17	18	1.149
34	30432992	Saima Kalsoom	Senior Head Mistress	G G High School 110/7-R CCI	SC6407	17	18	0.515
35	30547696	Syeda Saima Fiaz	Head Mistress	G G High School 76/5R SWL	SC6409	17	18	0.596
36	30370282	Muhammad Aslam	Head Master	G H School 98/9L Sahiwal	SC6417	17	18	1.149
37	30366483	Farrkh Sultana	Head Mistress	G G H School Chak 73-A/5L	SC6429	17	18	1.031
38	30363420	Nasim Akhtar (MZW)	Head Mistress	GGHS 9/11-L Chichawatni	SC6459	17	18	0.670
Total								37.052

Annexure –D/SWL**[Para 16.2.5.2.10]****Excess withdrawal of pay and allowances due to wrong fixation of basic pay
– Rs 2.365 million****(Rupees in million)**

Pers. No.	Name of Employee	BPS	Date of Joining	Job Title	Cost Center	Due	Drawn	Diff	Period	Recovery
30433025	Ghulam Qadir	17	10/19/2009	SST	SC6013	37,270	39,570	2,300	12	0.028
30433030	Muhammad Afzal	17	10/19/2009	SST	SC6013	37,270	39,570	2,300	12	0.028
30433383	Syed Rafaqat Hussain	17	10/19/2009	SST	SC6013	37,270	39,570	2,300	12	0.028
30432809	Gulfam Yousaf	17	11/1/2004	SSE	SC6013	41,710	41,870	160	12	0.002
30369594	Bakhtiar Hussain Shah	16	9/2/1995	EST	SC6013	34,110	46,270	12,160	12	0.146
30377364	Amanat Ali Zahid	16	9/2/1995	EST	SC6013	34,110	43,230	9,120	12	0.109
30377376	Muhammad Nawaz	16	9/2/1995	EST	SC6013	34,110	43,230	9,120	12	0.109
30377378	Muhammad Afzal	16	9/2/1995	EST	SC6013	34,110	46,270	12,160	12	0.146
30377413	Muhammad Akram	16	9/2/1995	EST	SC6013	34,110	46,270	12,160	12	0.146
30377442	Khalid Rashid	16	9/2/1995	EST	SC6013	34,110	46,270	12,160	12	0.146
30377452	Mirza Tariq Mahmood	16	9/2/1995	EST	SC6013	34,110	52,350	18,240	12	0.219
30377476	Sheikh Muhammad Saleem	16	9/2/1995	EST	SC6013	34,110	46,270	12,160	12	0.146
30377481	Iftikhar Hussain	16	9/2/1995	EST	SC6013	34,110	46,270	12,160	12	0.146
30377511	Manzoor Hussain	16	9/3/1995	SST	SC6013	34,110	49,310	15,200	12	0.182
30377532	Muhammad Jamil	16	9/2/1995	EST	SC6013	34,110	46,270	12,160	12	0.146
30377564	Ghulam Nabi	16	9/2/1995	EST	SC6013	34,110	46,270	12,160	12	0.146
30377592	Muhammad Asghar	16	9/2/1995	EST	SC6013	34,110	46,270	12,160	12	0.146
30377594	Fiaz Ahmad	16	9/2/1995	EST	SC6013	34,110	46,270	12,160	12	0.146
30377608	Mirza Muhammad Nawaz	16	9/2/1995	EST	SC6013	34,110	50,830	16,720	12	0.201
Total										2.365

Annexure –C/VHR

[Para 17.2.5.2.11]

Excess payment of pay and allowances - Rs 1.319 million

(Amount in Rupees)

Pers.No.	Name of Employee	Job Title	Cost Center	Wage Type	Last working day	Month/ period	Excess payment
30632294	NASIM AKHTER	S.S.T. (G)	VR9620	ARA 2018 10%	28.02.19	Mar-19	6,451
30632294	NASIM AKHTER	S.S.T. (G)	VR9620	ARA 2017 10%	28.02.19	Mar-19	6,451
30632294	NASIM AKHTER	S.S.T. (G)	VR9620	ARA 2016 10%	28.02.19	Mar-19	4,660
30632294	NASIM AKHTER	S.S.T. (G)	VR9620	MA 15%	28.02.19	Mar-19	2,546
30632294	NASIM AKHTER	S.S.T. (G)	VR9620	Charge Allow	28.02.19	Mar-19	700
30632294	NASIM AKHTER	S.S.T. (G)	VR9620	CA 2005	28.02.19	Mar-19	5,000
30632294	NASIM AKHTER	S.S.T. (G)	VR9620	HRA	28.02.19	Mar-19	2,727
30632294	NASIM AKHTER	S.S.T. (G)	VR9620	Basic Pay	28.02.19	Mar-19	64,510
30628131	SHAHNAZ AKHTAER	S.S.T. (G)	VR9620	ARA 2018 10%	30.08.18	Sep-18 to Mar-19	41,509
30628131	SHAHNAZ AKHTAER	S.S.T. (G)	VR9620	ARA 2017 10%	30.08.18	Sep-18 to Mar-19	41,509
30628131	SHAHNAZ AKHTAER	S.S.T. (G)	VR9620	ARA 2016 10%	30.08.18	Sep-18 to Mar-19	31,724
30628131	SHAHNAZ AKHTAER	S.S.T. (G)	VR9620	MA 15%	30.08.18	Sep-18 to Mar-19	17,199
30628131	SHAHNAZ AKHTAER	S.S.T. (G)	VR9620	Charge Allow	30.08.18	Sep-18 to Mar-19	4,900
30628131	SHAHNAZ AKHTAER	S.S.T. (G)	VR9620	HRA	30.08.18	Sep-18 to Mar-19	19,089
30628131	SHAHNAZ AKHTAER	S.S.T. (G)	VR9620	Basic Pay	30.08.18	Sep-18 to Mar-19	415,090
30799093	PARVEEN AKHTAR	S.S.T. (G)	VR9620	ARA 2018 10%	11.08.18	Aug-18	5,622
30799093	PARVEEN AKHTAR	S.S.T. (G)	VR9620	ARA 2017 10%	11.08.18	Aug-18	5,622
30799093	PARVEEN AKHTAR	S.S.T. (G)	VR9620	ARA 2016 10%	11.08.18	Aug-18	4,225
30799093	PARVEEN AKHTAR	S.S.T. (G)	VR9620	MA 15%	11.08.18	Aug-18	2,266
30799093	PARVEEN AKHTAR	S.S.T. (G)	VR9620	Charge Allow	11.08.18	Aug-18	452
30799093	PARVEEN	S.S.T. (G)	VR9620	HRA	11.08.18	Aug-18	3,748

Pers.No.	Name of Employee	Job Title	Cost Center	Wage Type	Last working day	Month/period	Excess payment
	AKHTAR						
30799093	PARVEEN AKHTAR	S.S.T. (G)	VR9620	Basic Pay	11.08.18	Aug-18	56,219
30810736	AMIN BIBI	S.S.T. (G)	VY6019	ARA 2018 10%	30.09.18	Oct-18	5,995
30810736	AMIN BIBI	S.S.T. (G)	VY6019	ARA 2017 10%	30.09.18	Oct-18	5,995
30810736	AMIN BIBI	S.S.T. (G)	VY6019	Basic Pay	30.09.18	Oct-18	59,950
30810736	AMIN BIBI	S.S.T. (G)	VY6019	HRA	30.09.18	Oct-18	2,727
30810736	AMIN BIBI	S.S.T. (G)	VY6019	CA 2005	30.09.18	Oct-18	5,000
30810736	AMIN BIBI	S.S.T. (G)	VY6019	ARA 2016 10%	30.09.18	Oct-18	4,660
30810736	AMIN BIBI	S.S.T. (G)	VY6019	Charge Allow	30.09.18	Oct-18	700
30810736	AMIN BIBI	S.S.T. (G)	VY6019	MA	30.09.18	Oct-18	1,500
30637718	IRSHAD ALI KHAN	S.S.T. (G)	VR9620	ARA 2018 10%	31.08.18	Sep-18	5,235
30637718	IRSHAD ALI KHAN	S.S.T. (G)	VR9620	ARA 2017 10%	31.08.18	Sep-18	5,235
30637718	IRSHAD ALI KHAN	S.S.T. (G)	VR9620	ARA 2016 10%	31.08.18	Sep-18	4,020
30637718	IRSHAD ALI KHAN	S.S.T. (G)	VR9620	MA 15%	31.08.18	Sep-18	2,160
30637718	IRSHAD ALI KHAN	S.S.T. (G)	VR9620	Charge Allow	31.08.18	Sep-18	700
30637718	IRSHAD ALI KHAN	S.S.T. (G)	VR9620	CA 2005	31.08.18	Sep-18	5,000
30637718	IRSHAD ALI KHAN	S.S.T. (G)	VR9620	HRA	31.08.18	Sep-18	2,727
30637718	IRSHAD ALI KHAN	S.S.T. (G)	VR9620	Basic Pay	31.08.18	Sep-18	52,350
30628013	SAJIDA JABEEN	S.S.T. (G)	VR9620	ARA 2018 10%	31.08.18	Sep to Oct-18	18,576
30628013	SAJIDA JABEEN	S.S.T. (G)	VR9620	ARA 2017 10%	31.08.18	Sep to Oct-18	18,576
30628013	SAJIDA JABEEN	S.S.T. (G)	VR9620	ARA 2016 10%	31.08.18	Sep to Oct-18	14,058
30628013	SAJIDA JABEEN	S.S.T. (G)	VR9620	MA 15%	31.08.18	Sep to Oct-18	7,980
30628013	SAJIDA JABEEN	S.S.T. (G)	VR9620	Charge Allow	31.08.18	Sep to Oct-18	1,400
30628013	SAJIDA JABEEN	S.S.T. (G)	VR9620	CA 2005	31.08.18	Sep to Oct-18	10,000
30628013	SAJIDA JABEEN	S.S.T. (G)	VR9620	HRA	31.08.18	Sep to	11,620

Pers.No.	Name of Employee	Job Title	Cost Center	Wage Type	Last working day	Month/period	Excess payment
						Oct-18	
30628013	SAJIDA JABEEN	S.S.T. (G)	VR9620	Basic Pay	31.08.18	Sep to Oct-18	185,760
30798981	ABDUL RASHID	S.S.T. (G)	VR9620	ARA 2018 10%	31.08.18	Sep-18	6,717
30798981	ABDUL RASHID	S.S.T. (G)	VR9620	ARA 2017 10%	31.08.18	Sep-18	6,717
30798981	ABDUL RASHID	S.S.T. (G)	VR9620	ARA 2016 10%	31.08.18	Sep-18	5,053
30798981	ABDUL RASHID	S.S.T. (G)	VR9620	MA 15%	31.08.18	Sep-18	2,635
30798981	ABDUL RASHID	S.S.T. (G)	VR9620	Basic Pay	31.08.18	Sep-18	67,170
30798981	ABDUL RASHID	S.S.T. (G)	VR9620	HRA	31.08.18	Sep-18	4,433
30798981	ABDUL RASHID	S.S.T. (G)	VR9620	CA 2005	31.08.18	Sep-18	5,000
30798981	ABDUL RASHID	S.S.T. (G)	VR9620	Charge Allow	31.08.18	Sep-18	700
30810776	SAEED AHMAD	JC	VY6545	ARA 2018 10%	23.02.18	Jul-18	3,105
30810776	SAEED AHMAD	JC	VY6545	ARA 2017 10%	23.02.18	Jul-18	3,105
30810776	SAEED AHMAD	JC	VY6545	ARA 2016 10%	23.02.18	Jul-18	2,531
30810776	SAEED AHMAD	JC	VY6545	MA	23.02.18	Jul-18	1,500
30810776	SAEED AHMAD	JC	VY6545	CA 2005	23.02.18	Jul-18	2,856
30810776	SAEED AHMAD	JC	VY6545	HRA	23.02.18	Jul-18	1,853
30810776	SAEED AHMAD	JC	VY6545	Basic Pay	23.02.18	Jul-18	31,050
Total							1,318,569

Annexure –D/VHR

[Para 17.2.5.4.3]

Irregular expenditure on development schemes beyond allocation – Rs 95.638 million

(Rupees in million)

Serial No.	General Serial No.	Name of Scheme (with year of initiation)	Project ID	Funds Transferred to XEN Building as Deposit Work	Expenditure incurred by XEN Building	Excess Exp.
1	574	Construction of Boundary Wall at GGPS 511/EB	LO17000483VR10	0.001	0.176	0.175
2	-	Construction of boundary wall at GGPS Chak No.200/EB Vehari	-	-	0.865	0.865
5	-	Re-construction of 6 class rooms in D-Block Vehari	-	-	0.133	0.133
6	-	Construction of boundary wall at GES Chak No.213/EB	-	-	0.112	0.112
7	-	Ceiling fans	-	-	0.542	0.542
8	-	Reconstruction of 2 class rooms at GGHS at FatehPurMailsi (Risk & Cost)	-	0.978	1.016	0.038
9	-	Construction of toilet block at 192/WB, 122/WB and DWF 124/WB	-	-	0.064	0.064
10	-	Ceiling fans	-	-	0.251	0.251
11	-	Ceiling fans	-	-	1.272	1.272
Total block allocation						3.452
12	365	Up-grad: of GHS 269/EB Burewala to Next Level 2017-18	LO16006855VR	2.087	18.201	16.114
13	366	Up-grad: of GGHS 441/EB Burewala to Next Level 2017-18	LO16006856VR	3.424	13.966	10.542
14	367	Up-grad: of GHS 172/WB, Vehari to Next Level 2017-18.	VR18E00003	0	5.715	5.715
15	920	Up-grad: of GGHS 505/EB Burewala to Next Level 2017-18	LO17000623VR	3.215	4.729	1.514
16	921	Up-grad: of GHS 505/EB Burewala to Next Level 2017-18	LO17000624VR	4.266	9.473	5.207
17	922	Up-grad: of GHS 505/EB Burewala to Next Level 2017-18	LO17000625VR	2.414	6.064	3.65
18	923	Up-grad: of GGHS 405/EB Burewala to Next Level 2017-18	LO17000626VR	2.415	8.214	5.799
19	924	Up-grad: of GGHS 130/EB Burewala to Next Level 2017-18	LO17000627VR	3.911	4.077	0.166
20	925	Up-grad: of GHS 181/EB Burewala to Next Level 2017-18	LO17000628VR	2.683	9.405	6.722
21	927	Up-grad: of GES 481/EB Burewala to Next Level 2017-18	LO17000630VR	0	2.996	2.996

Serial No.	General Serial No.	Name of Scheme (with year of initiation)	Project ID	Funds Transferred to XEN Building as Deposit Work	Expenditure incurred by XEN Building	Excess Exp.
22	929	Up-grad: of GGHS Thingi 172/WB Vehari to Next Level 2017-18	LO17000632VR	10.5	15.044	4.544
23	931	Up-grad: of GGES 136/WB Mailsi to Next Level 2017-18	LO17000634VR	0.659	2.982	2.323
24	936	Estt: of New GGHS in Sharqi Colony Vehari 2017-18	LO17000641VR	3.55	13.439	9.889
25	783	Up-grad: of GGES 275/EB Burewala to Next Level 2017-18	LO17001032VR	0.343	2.894	2.551
26	-	Up-grad: of GGCMES 265/EB Burewala to Next Level 2017-18	-	-	6.543	6.543
27	796	Up-grad: of GGPS 361/EB Burewala to Next Level 2017-18	LO17001040VR	0	0.847	0.847
28	802	Up-grad: of GGPS 23/WB Vehari to Next Level 2017-18	LO17001047VR	0.578	0.954	0.376
29	810	Up-grad: of GGES 197/EB Burewala to Next Level 2017-18	VR18E00007	6.164	6.886	0.722
30	787	Up-grad: of GGPS 118/EB Burewala to Next Level 2017-18	LO17001061VR	0.455	0.759	0.304
31	332	Up-grad: of GES 317/EB Dewan Burewala to Next Level 2016-17	LO16001285	0.433	0.508	0.075
32	333	Up-grad: of GPS 333/EB Burewala to Next Level 2016-17	LO16001286	0	0.147	0.147
33	346	Up-grad: of GPS 537/EB Vehari to Next Level 2016-17	LO16001289	0.001	0.117	0.116
34	360	Up-grad: of GBMS 65/KB Vehari to Next Level 2016-17	LO16001304	0	0.254	0.254
35	-	Up-grad: of GBMS 4/WB Vehari to Next Level 2016-17	LO16001305	0	1.139	1.139
36	-	Construction of boundary wall in GGHS at 59/WB Vehari	-	0	3.557	3.557
37	-	Construction of toilet block in GPS at 445/EB Tehsil Burewala	-	0	0.173	0.173
38	-	Construction of toilet block 553/EB, 531/EB & 162/EB	-	0	0.105	0.105
39	-	DGPR Advertisement charges	-	0	0.099	0.099
Total Provincial ADP 2017-18 (On-going)				47.101	139.287	92.186
Grand total						95.638