



**AUDIT REPORT**  
**ON**  
**THE ACCOUNTS OF**  
**DISTRICT EDUCATION AUTHORITIES**  
**OF PUNJAB (SOUTH)**

**AUDIT YEAR 2020-21**

**AUDITOR GENERAL OF PAKISTAN**

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## **ABBREVIATIONS AND ACRONYMS**

AAG	Assistant Accountant General
A/C	Account
ADP	Annual Development Program
AEO	Assistant Education Officer
AG	Accountant General
AGPR	Accountant General Pakistan Revenue
AIOU	Allama Iqbal Open University
ALC	Adult Literacy Center
APE	Ahmed Pur East
APPM	Accounting Principles & Policies Manual
B&A	Budget and Accounts
B&R	Buildings & Roads
BA/B.Ed.	Bachelor of Arts/Bachelor of Education
BER	Budget & Expenditure Report
BF	Benevolent Fund
BWN	Bahawalnagar
BWP	Bahawalpur
CEO	Chief Executive Officer
CFY	Current Financial Year
CGA	Controller General of Accounts
CM	Chief Minister
CNIC	Computerized National Identity Card
CPR	Computerized Payment Receipts
DAC	Departmental Accounts Committee
DAO	District Accounts Office
DCS	Direct Credited System
DDEO	Deputy District Education Officer
DDO	Drawing and Disbursing Officer
DEA	District Education Authority
DEO	District Education Officer
DFID	Department for International Development
DGA	Directorate General Audit
DGK	Dera Ghazi Khan

DO	District Officer
Dy.	Deputy
EDO	Executive District Officer
EE-M	Elementary Education-Male
EE-W	Elementary Education-Women
EOL	Extraordinary Leave
ESE	Elementary School Educator
EST	Elementary School Teacher
F.A/F.Sc.	Faculty of Arts/Faculty of Science
FABS	Financial Accounting and Budget System
FAP	Foreign Aided Project
FBR	Federal Board of Revenue
FD	Finance Department
FI	Financial Information
FIR	First Information Report
FRM	Financial Reporting Manual
FTF	Farogh-e-Taleem Fund
FTN	Free Tax Number
GAD	Gazetted Audit
GES	Government Elementary School
GGHSS	Government Girls Higher Secondary School
GGMC	Government Girls Municipal Committee
GHSS	Government Higher Secondary School
GL	General Ledger
GPF	General Provident Fund
GPS	Government Primary School
GSHF	Government Servant Housing Foundation
GST	General Sales Tax
HND	Haroonabad
HR	Human Resource
HRA	House Rent Allowance
INTOSAI	International Organization of Supreme Audit Institution
IPSAS	International Public Sector Accounting Standards
IT	Information Technology

JD	Job Description
KPI	Key Performance Indicator
KPSP	Khadim-E-Punjab School Programme
KVA	Kilo Volt Ampere
LCD	Liquid Crystal Display
LED	Light Emitting Diode
LFP	Leave on Full Pay
LND	Literacy & Numeracy Drive
LPR	Leave Preparatory to Retirement
LQP	Liaquatpur
M.Phil./Ph.D.	Master of Philosophy/Doctor of Philosophy
MA/M.Sc.	Master of Arts/Master of Science
MAP	Manual of Accounting Principles
MB	Measurement Book
MC	Municipal Corporation/Municipal Committee
MEA	Monitoring Evaluation Assistant
MFDAC	Memorandum for Departmental Accounts Committee
MND	Minchanabad
MRS	Market Rate System
NAM	New Accounting Model
NBP	National Bank of Pakistan
NFBE	Non-Formal Basic Education
NOC	No Objection Certificate
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
PC-IV	Planning Commission Form-Iv
PET	Physical Education Teacher
PFR	Punjab Financial Rules
PITB	Punjab Information Technology Board
PLGA	Punjab Local Government Act

PLS	Profit & Loss Sharing
PMIU	Program Monitoring & Implementation Unit
PNTN	Punjab National Tax Number
POL	Petroleum Oil and Lubricants
PPO	Pension Payment Order
PPRA	Punjab Procurement Regulatory Authority
PSTS	Punjab Sales Tax On Services
PTC	Primary Teaching Certificate
RCC	Reinforced Cement Concrete
RDA	Regional Directorate of Audit
RFT	Running Foot
RYK	Rahim Yar Khan
S&GAD	Services and General Administration Department
SAP	Systems, Applications and Products
SBAP	School Based Action Plan
SBD	State Bank Deposits
SBP	State Bank of Pakistan
SC	School Council
SDA	Special Drawing Account
SE	Secondary Education
SESE	Senior Elementary School Educator
SMC	School Management Council
SNE	Schedule of New Expenditure
SSB	Social Security Benefit
SSE	Secondary School Educator
SST	Secondary School Teacher
STR	Student Teacher Ratio
STRN	Sales Tax Registration Number
TA/DA	Travelling Allowance/Daily Allowance
TDR	Term Deposit Receipt
TMA	Tehsil Municipal Administration
TS	Technical Sanction
TSKL	Taleem Sab Key Liye
TTS	Toba Tek Singh
UPS	Uninterruptible Power Supply

## PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 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 (South) for the Financial Year 2019-20 and the accounts of some formations for previous financial years. The Directorate General of Audit, District Governments, Punjab (South), Multan, conducted audit during Audit Year 2020-21 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.

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.

Most of the audit observations, included in this Report, have been finalized in the light of written responses of the management and DAC directives 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, Metropolitan Corporation, Municipal Corporations, Municipal Committees, Town Committees, District Councils, Tehsil 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 Public Sector Companies of the Department of Local Government and Community Development, Punjab i.e. 05 Cattle Market Management Companies and 03 Waste Management Companies.

The Directorate General Audit is mandated to conduct audit of 3,608 formations working under the 17 PAOs. Total expenditure and receipts of these formations were Rs 135,202.220 million and Rs 343.416 million respectively for the financial year 2019-20.

District Education Authorities were established w.e.f. 01.01.2017 and conduct operations under the 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 *ibid*, the District Education Authority 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 accounting 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**

Audit scope relating to expenditure for the financial year 2019-20 comprises 85 formations of 17 District Education Authorities having total expenditure of Rs 54,624.846 million. The audit coverage for expenditure was Rs 25,509.803 million which comes to 46.70% of auditable expenditure.

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

1. Expenditure of Rs 1,1760.479 million for the financial year 2018-19 pertaining to 49 DDOs of 17 District Education Authorities.
2. Expenditure of Rs 8,608.433 million pertaining to previous financial years.

Audit coverage relating to receipt for the current audit year comprises 85 DDOs of 17 District Education Authorities having total receipt of Rs 160.416 million for the financial year 2019-20 which is 46.71% of total auditable receipt.

In addition to this compliance audit report, DG Audit District Governments Punjab (South), Multan conducted 34 Financial Attest Audits, 02 Performance Audits, 01 Special Study and 01 compliance audit of 17 District Health Authorities. Reports of these audits are being published separately.

**b) Recoveries at the instance of Audit**

As a result of audit, recovery of Rs 2,190.095 million was pointed out in this report. Recovery effected from January to December, 2020 was Rs 96.033 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 materialized as the provincial Public Accounts Committee has not discussed any Audit Report of DEAs.

**e) Comments on Internal Control and Internal Audit Department**

Internal control mechanism of District Education Authorities was not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit which include some serious lapses like unauthorized withdrawal of public funds against the entitlement of the employees. Negligence on the part of District Education Authorities may be captioned as one of the important reasons for weak Internal Controls. Further, no Internal Audit Department was established by the DEAs.

**f) The Key Audit Findings of the Report**

- i. Non-Production of Record worth Rs 885.224 million was reported in 11 cases.<sup>1</sup>
- ii. Fraud and Misappropriations involving an amount of Rs 0.408 million were reported in one case.<sup>2</sup>
- iii. Procedural Irregularities amounting to Rs 2,080.132 million were noticed in 136 cases.<sup>3</sup>
- iv. Value for Money and Service Delivery Issues involving Rs 820.599 million were noticed in 21 cases.<sup>4</sup>
- v. Other issues involving an amount of Rs 438.635 million were noticed in 35 cases.<sup>5</sup>
- vi. Issues Related to Pension Payments involving an amount of Rs 466.756 million were noticed in nine cases.<sup>6</sup>

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

**g) Recommendations**

PAOs of District Education Authorities are required to:

- i. Hold Inquiries and fixing responsibility for fraud, misappropriation, losses and wasteful expenditure.

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<sup>1</sup>Para Nos. 1.3.1, 3.3.1, 4.3.1, 5.3.1, 7.3.1, 12.3.1, 13.3.1, 14.3.1, 15.3.1, 16.3.1, 17.3.1

<sup>2</sup> Para Nos. 10.3.1

<sup>3</sup> Para Nos. 1.4.1 to 1.4.5, 2.3.1 to 2.3.6, 3.4.1 to 3.4.8, 4.4.1 to 4.4.21, 5.4.1 to 5.4.11, 6.3.1 to 6.3.9, 7.4.1 to 7.4.13, 8.3.1 to 8.3.13, 9.3.1 to 9.3.10, 10.4.1 to 10.4.8, 11.3.1 to 11.3.7, 12.4.1 to 12.4.2, 13.4.1 to 13.4.8, 14.4.1 to 14.4.2, 15.4.1 to 15.4.3, 16.4.1 to 16.4.5, 17.4.1 to 17.4.5

<sup>4</sup> Para Nos. 4.5.1 to 4.5.2, 5.5.1, 8.4.1 to 8.4.3, 9.4.1 to 9.4.2, 10.5.1, 11.4.1, 12.5.1 to 12.5.2, 13.5.1, 14.5.1, 15.5.1 to 15.5.4, 16.5.1, 17.5.1 to 17.5.2

<sup>5</sup> Para Nos. 1.5.1 to 1.5.4, 2.4.1 to 2.4.4, 3.5.1 to 3.5.3, 8.5.1 to 8.5.4, 9.5.1 to 9.5.3, 10.6.1 to 10.6.3, 11.5.1 to 11.5.3, 13.6.1 to 13.6.3, 14.6.1 to 14.6.4, 15.6.1 to 15.6.2, 16.6.1, 17.6.1

<sup>6</sup> Para Nos. 2.5.1 to 2.5.3, 4.6.1, 9.6.1 to 9.6.3, 14.7.1 to 14.7.2

- ii. Produce auditable record and take action against the person(s) responsible for non-production of record.
- 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.
- viii. Establish separate Pension Fund besides recovery of due amount of share from the defunct local governments.

## 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 the Authority.

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 (DG Khan), Faisalabad, Jhang, Khanewal, Layyah, Lodhran, Multan, Muzaffargarh, Pakpattan, Rahim Yar Khan, Rajanpur, Sahiwal, Toba Tek Singh and Vehari.

Description	No. of Offices / Educational Institutes	No. of DDOs / Formations
Chief Executive Officers (District Education Authorities)	17	17
District Education Officers (Secondary)	17	17
District Education Officers (EE-M)	17	17
District Education Officers (EE-W)	13	13
District Education Officers (Literacy)	13	13
District Education Officers (Special Education)	6	6
Deputy District Education Officers (SE)	6	6
Deputy District Education Officers (EE-M)*	63	63
Deputy District Education Officers (EE-W)*	63	63
Higher Secondary Schools (Boys & Girls)	790	790
High Schools (Boys & Girls)	2,488	2,488
Special Education Schools / Centres	115	115
Elementary Schools*	4,175	-
Primary Schools*	17,200	-
Mosque / Madrassa Schools*	190	-
<b>Total</b>	<b>25,173</b>	<b>3,608</b>

(\*Deputy DEOs are also the DDOs of Elementary, Primary and Mosque/Madrassa Schools)

## Sectoral Analysis

### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEOs of 17 DEAs during 2019-20.

(Rupees in million)

Particulars	Budget	Actual	Lapse	Lapse (Per Cent)
Non-Development (Salary + Non-Salary)	159,952.281	132,967.707	26,984.574	17%
Development	4,234.138	2,234.513	1,999.625	47%
<b>Total</b>	<b>164,186.419</b>	<b>135,202.220</b>	<b>28,984.199</b>	<b>18%</b>

(Source: Appropriation Accounts 2019-20)

Development includes an expenditure of Rs 2,234.513 million against an allocation of Rs 4,234.138 million for the development schemes of construction of school buildings, rehabilitation of dangerous classrooms, provision of missing facilities, provision of IT labs in schools etc. The said development schemes could not be completed and an amount of Rs 1,999.625 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Funds amounting to Rs 28,984.199 million lapsed due to inefficient management.

### Analysis of Appropriation Accounts and Financial Statements (Certification Audit 2020-21)

During Certification Audit of DEAs for the Audit Year 2020-21, 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:

- Incorrect reporting of cash / bank balances – Rs 104.470 million

- Non-reconciliation of figures of payments, receipts and cash balance as per the Appropriation Accounts, Financial Statements and Bank Statements – Rs 17,281.587 million
- Difference in budget figures as per financial statement, appropriation accounts and SAP data – Rs 5,310.943 million
- Wrong booking and misclassification of receipts – Rs 4.721 million
- Under statement / misrepresentation of receipts – Rs 8.462 million
- Less / excess transfer and abnormal delay in transfer of receipts – Rs 993.870 million
- Unauthorized utilization of public account funds – Rs 626.739 million
- Non reporting of fixed assets – Rs 159.686 million
- Variation in figures of appropriation accounts – Rs 246.144 million
- Unauthorized supplementary grants without approval – Rs 571.997 million
- Non-disclosure of third party / direct payments in the financial statements – Rs 250.485 million

These issues were discussed in the Clearing House meeting held in December, 2020 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 2019-20. These indicators were introduced, implemented and monitored through PMIU (Programme Monitoring & Implementation Unit) being part of the Chief Minister (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 the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Core Indicators	Students attendance (K-12)	91	93.06	Achieved
	Teacher Presence	90	94.51	Achieved
	Head Teacher Presence	86.25	90.03	Achieved
	Availability of boundary wall	94	92.40	Not Achieved
	Availability of drinking Water	91.25	94.01	Achieved
	Availability of Furniture	67	70.66	Achieved
	Classrooms observations	77.50	86.23	Achieved
Infrastructure Indicators	Safe Building	90	90.05	Achieved
	NSB Time Lines	68.50	12.72	Not Achieved
	NSB Utilization	86.50	77.28	Not Achieved
	Data Health	77.88	82.19	Achieved
	Sufficiency of Toilets	62.46	70.80	Achieved
Retention Indicators	Retention (K-12)	93.5	89.09	Not Achieved
Monitoring & Management Indicators	School Hygiene	80.25	87.49	Achieved
	Partial Facility	0.83	1.28	Achieved
Hotline Complaints Resolution Indicator	On Time resolution	90.25	97.24	Achieved
Quality Indicators	Literacy & Numeracy Drive (LND) Test Results	82	81.40	Not Achieved

(Source: Data received from CEOs (DEAs))

### iii. Service Delivery Issues

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

- Boundary walls were available for 92.4% schools against the target of 94% schools.
- Furniture was available for 70.66% students which indicated that 29.34% students could not avail class room furniture despite provision of non-salary budget.
- NSB utilization was targeted to be 86.5%, while it could be achieved 77.28%.
- NSB timeline was targeted to be 68.5%, while it could be achieved 12.72%.
- Student retention of 93.5% could be achieved against target of 89.09%.
- Quality indicators, literacy and numeracy drive (LND) test results achievement was 81.40% against the target of 82%.

**iv. Serious Financial Irregularities and Findings**

Following serious irregularities were found during field audit execution during Audit Year 2020-21:

- i. Non-Production of Record worth Rs 885.224 million was reported in 11 cases.
- ii. Fraud and Misappropriations involving an amount of Rs 0.408 million were reported in one case.
- iii. Procedural Irregularities amounting to Rs 2,080.132 million were noticed in 136 cases.
- iv. Value for Money and Service Delivery Issues involving Rs 820.599 million were noticed in 21 cases.
- v. Other issues involving an amount of Rs 438.635 million were noticed in 35 cases.
- vi. Issues Related to Pension Payments involving an amount of Rs 466.756 million were noticed in nine cases.

**v. Expectation Analysis and Remedial Measures**

CEOs (DEAs) did not achieve their overall targets regarding availability of boundary walls, furniture, NSB utilization, NSB timelines and student retention. The management failed in provision of boundary walls, furniture, efficient utilization of NSB and ensuring student retention. 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 provision of boundary walls, furniture and utilization of NSB within time limits besides meeting students' retention targets.
- 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 1.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Bahawalnagar on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available during Financial Year 2019-20:

(Rupees in million)

Description	Budget	Actual	Lapse	Lapse (Per Cent)
Non -Development	11,113.047	10,217.956	895.091	8.054
Development	277.912	126.695	151.217	54.41
<b>Total</b>	<b>11,390.959</b>	<b>10,344.651</b>	<b>1,046.308</b>	<b>9.185</b>

\*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 utilized resulting in lapse of Rs 151.217 million (54.41%).

Financial data showed that funds were not utilized to achieve the targets. An amount of Rs 1,046.308 million could not be utilized during the year 2019-20.

## **Analysis of Appropriation Accounts and Financial Statements (Certification Audit)**

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

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

- Difference between Financial Statements and Bank Statements – Rs 109.841 million.
- Difference in Public Accounts Receipts – Rs 26.99 million
- Difference between Appropriation Accounts and Bank Statements – Rs 28.357 million

Above issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General Punjab 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 2019-20. 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 admissions & their retention, zero tolerance for drop out, provision of missing facilities in schools and improved education of information technology through IT labs. Further, to prepare action plans for proper monitoring at each level was an important objective.

## Status regarding indicators and their achievements for the Financial Year 2019-20

(Figures in percentage)

Sr. No.	Indicators	Sub Indicators	Comparison of Targets and their Achievements		Remarks
			Targets	Achievements	
1	Core Indicators	Students Attendance	92	92	Achieved
		Teacher Presence	90	92	Achieved
		Head Teacher Presence	90	93	Achieved
		Availability of Boundary Wall	98	94	Not Achieved
		Availability of Drinking Water	95	99	Achieved
		Availability of Furniture	70	74	Achieved
		Classroom Observation	80	86	Achieved
2	Infrastructure Indicators	Safe Buildings	98	99	Achieved
		NSB Timelines (Non-Salary Budget)	90	34	Not Achieved
		NSB Utilizations	90	67	Not Achieved
		Sufficiency of Toilet	66	76	Achieved
		Retention (Kachi-12)	97	96	Not Achieved
3	Monitoring & Management Indicators	School Hygiene	80	83	Achieved
		On time Resolution	90	96	Achieved

\*Source: Data received from CEO (DEA)

Due to weak management, targets set could not be achieved completely. Availability of boundary wall was targeted to be achieved 98% but it was not achieved up to the target level. Further, NSB timelines, NSB utilization and retention of students were also less achieved.

### iii. Service Delivery Issues

From analysis of indicators and sub-indicators of District Education Authority Bahawalnagar, it was observed that the Authority improved its overall performance in various areas. However, infrastructure development in terms of availability of boundary walls and secure environment for students, NSB timelines and its utilization still need improvement to ensure better service delivery.

### iv. Serious Financial Irregularities and Findings

- Non-production of record worth Rs 82.524 million was reported in one case.

- Procedural Irregularities of Rs 33.737 million were noticed in five cases.
- Other matters involving an amount of Rs 118.532 million were noticed in four cases.

**v. Expectation Analysis and Remedial Measures**

CEO DEA failed to prepare authentic budget as per needs as budget was not optimally utilized. Neither funds were allocated for construction of boundary walls in various schools as per requirement nor was monitoring of expenditure out of NSB carried out.

**Suggestions / Remedial Measures**

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

## AUDIT PARAS

Following observations surfaced during audit of financial year 2019-20:

### 1.1.1 Difference between Financial Statements and Bank Statements – Rs 109.841 million

According to paras 2.2.2.9 & 6.3.4.2 of APPM, 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 Certification Audit of DAO Bahawalnagar for the financial year 2019-20, difference was noted in the bank statements and financial statements of District Education Authority (DEA) Bahawalnagar under the head of receipts and payments as detailed below. Further, no reconciliation was found on record.

(Rupees in million)

Sr. No.	Description	As per Financial Statements 2019-20 (Page No.1)	As per SBD statement for the year 2019-20	Difference
	Receipts & payments	20,820.362	20,710.520	109.841

- No clear picture of data of Financial Statements was presented.
- Incorrect calculation and reporting of wrong figures in Financial Statements.
- Chances of error could not be ruled out.

DAO replied that difference was due to booking of expenditure in SAP system on gross basis whereas, cheques were issued for net payments after necessary deductions.

Audit recommends reconciliation of financial statements and reporting of accurate data.

### 1.1.2 Difference in Public Accounts Receipts – Rs 26.990 million

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 certification audit of Account-V, difference of Rs 26.990 million was noted in Financial Statements and SAP data. Detail is given below:

**(Rupees in million)**

Sr. No.	Description	Amount as per SAP	Amount as per Financial Statement	Difference
1	Trust & other public account-receipts	19,614.390	19,641.383	-26.990

Amounts were incorrectly reported besides enhancing the chances of further errors.

DAO replied that data in Financial Statements of Trust & Other Public Account Receipts is equal as per SAP data. In fact, in Head F-021 Rs 27.000 million was also part of Trust & Other Public Accounts which was not included in data. Remaining amount is being investigated.

Audit recommends correction/revision of the accounts to ensure correct reflection of figures.

### 1.1.3 Difference between Appropriation Accounts and Bank Statements – Rs 28.357 million

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.

District Accounts Officer reported expenditure of Rs 10,344.651 million through Appropriation Account of DEA Bahawalnagar whereas payments of Rs 10,316.294 million were mentioned in bank statement of National Bank of Pakistan which indicated a difference of Rs 28.357 million during 2019-20.

Amounts were incorrectly reported besides enhancing the chances of further errors.

DAO replied that difference was due to booking of expenditure in SAP system on gross basis whereas cheques were issued for net payments after necessary deductions.

Audit recommends reconciliation of the figures to ensure presentation of factual financial position of the entity.

## CHAPTER 1.2

### DEA Bahawalnagar

#### 1.2.1 Introduction

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 District Education Authority. He is responsible to Public Accounts Committee of the Provincial Assembly. He is also responsible to ensure that business of DEA Group of Offices is carried out in accordance with the applicable laws and he has to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration. Detail of formations is given below:

(Rupees in million)

Sr. No.	Description	Total No.	Audited	Expenditure audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	234	05	1,061.884	-
2	Assignments Accounts	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

#### 1.2.2 Comments on Budget and Accounts (Variance Analysis)

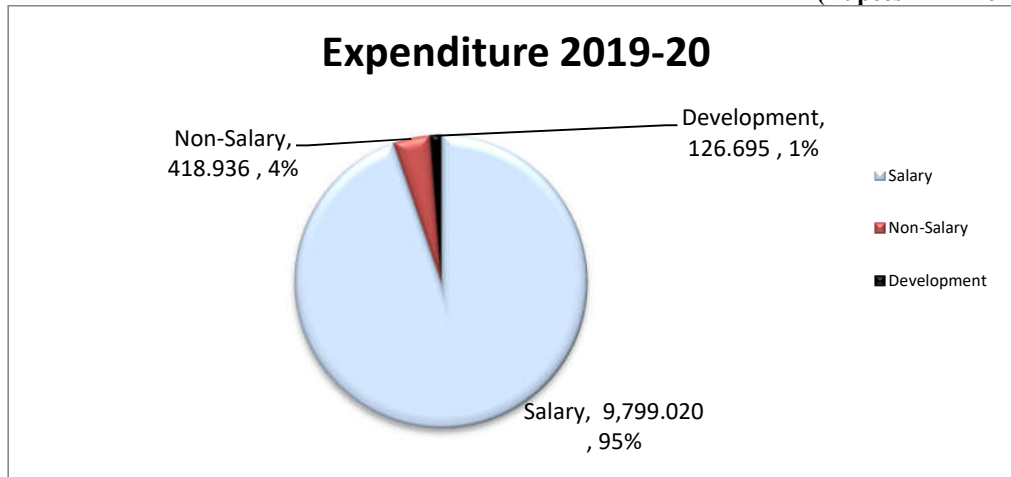
The detail of budget and expenditure is given below in tabulated form:

(Rupees in million)

Sr. No.	Description	Detail	Budget	Actual	Lapse	% (Lapse)
1	Non-Development	Salary	10,627.407	9,799.020	828.387	7.795%
		Non-Salary	485.640	418.936	66.704	13.735%
		<b>Total</b>	<b>11,113.047</b>	<b>10,217.956</b>	<b>895.091</b>	<b>8.054%</b>
2	Development	-	277.912	126.695	151.217	54.412%
<b>Grand Total</b>			<b>11,390.959</b>	<b>10,344.651</b>	<b>1,046.308</b>	<b>9.185%</b>



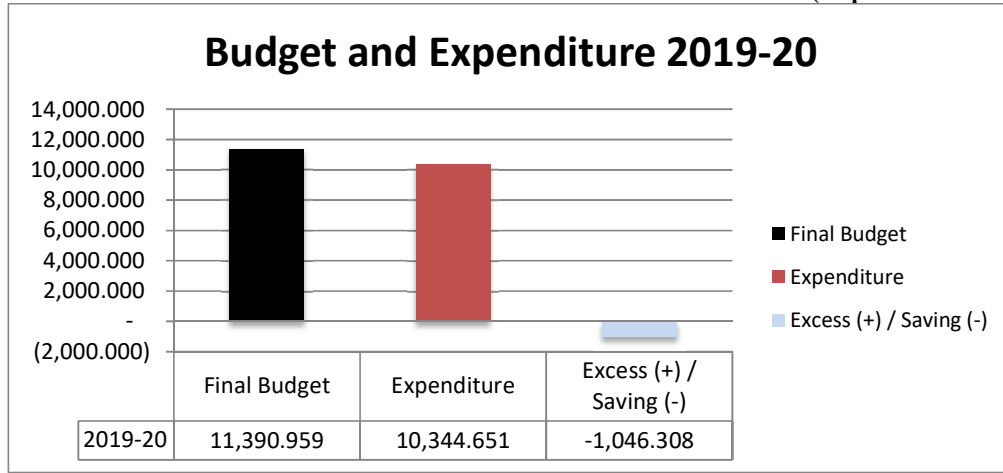
(Rupees in million)



As per the Appropriation Accounts for the financial year 2019-20 of the District Education Authority, Bahawalnagar, total final budget (Development & Non-Development) was Rs 11,390.959 million. Against the final budget, total expenditure of Rs 10,344.651 million was incurred by the District Education Authority during 2019-20. Audit observed lapse of Rs 1,046.308 million 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**).

The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

(Rupees in million)



### 1.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 234.793 million were raised as a result of this audit. Recoverable amount of Rs 135.636 million as pointed out by audit is also included in this figure. Summary of the audit observations classified by nature is as under:

(Rupees in million)

Sr. No.	Classification	Amount (Rs.)
1	Non-Production of record	82.524
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Procedural Irregularities	
A	HR/Employees related irregularities	4.156
B	Procurement related irregularities	29.581
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	-
5	Others	118.532

#### **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.

##### **Status of Previous Audit Reports**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	5	PAC not constituted
2	2018-19	18	PAC not constituted
3	2019-20	34	PAC not constituted

## AUDIT PARAS

### 1.3 Non Production of Record

#### 1.3.1 Non-Production of record – Rs 82.524 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 keeping of initial and subsidiary accounts”.

Four DDOs of District Education Authority (DEA), Bahawalnagar did not produce record of expenditure amounting to Rs 82.524 million for FY 2017-20. Detail is given below:

(Rupees in million)			
Sr. No.	DDOs	Remarks	Amount
1	CEO (DEA) BWN	Expenditure on Development works	75.275
		Miscellaneous Record	
2	Dy. DEO (EE-W) BWN	Vouchers and Transfer Receipts	0.876
3	Dy. DEO (EE-M) MND	Vouched Account of Arrear	0.377
		Vouched Account of Schools	5.607
		Miscellaneous Record	0.389
4	Dy. DEO (EE-W) MND	Miscellaneous Record	-
<b>Total</b>			<b>82.524</b>

Due to negligence on the part of management, record of expenditure was not produced.

Non production of record created doubts regarding legitimacy of expenditure incurred amounting to Rs 82.524 million.

The matter was reported to CEO and DDOs concerned in September, 2020. All DDOs replied that relevant record was maintained and available for verification but that was not produced till finalization of this report.

DAC in its meeting held on 20.11.2020 directed to provide missing record for verification within 15 days besides initiating action against the concerned. No progress was intimated till finalization of this report.

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

[AIR Para No. 14, 24, 22, 13, 28, 30 & 09]

## **1.4 Procedural Irregularities**

### **1.4.1 Unlawful conduct of business of District Education Authority**

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 30.06.2018) 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 two years.

Deputy Commissioner, Bahawalnagar continued to hold the office as Administrator and exercised the powers of the authority beyond lawful tenure of two years which was expired on 31.12.2018. Therefore, conducting business of the Education Authority, Bahawalnagar including approval of Annual Budget of Rs 10,598.288 million and subsequent expenditure of Rs 9,470.437 million was held un-authorized. Furthermore, powers of the House / Authority were concentrated in and used by a Government servant.

Due to non-observance of prevailing rules, budget of DEA was approved by un-authorized person i.e. Deputy Commissioner, Bahawalnagar.

Approval of budget by un-authorized person without having powers resulted in un-authorized approval of budget and expenditure of Rs 9,470.437 million.

The matter was reported to CEO concerned in September, 2020. DDO replied that as per PLGA, 2013, the chairman will continue to serve as per instructions/policy of the government. Reply was not tenable as no documentary evidence regarding government policy was shown to audit.

DAC in its meeting held on 20.11.2020 directed to get the expenditure regularized from competent authority within a month. No 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: 11]

#### 1.4.2 Non-deduction / deposit of taxes and non-verification of CPRs – Rs 12.428 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 15<sup>th</sup> of following month.

Three (03) DDOs of District Education Authority, Bahawalnagar did not deduct relevant taxes on prescribed rates from the bills of suppliers. Purchases were made from different suppliers without obtaining Computerized Payment Receipts (CPRs) of Rs 12.428 million during the period 2017-20. The DDOs withheld tax @ 20% of GST but intimation to concerned collectorate was not forwarded for verification regarding deposit of remaining 80% of GST by the suppliers. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Period	Remarks	Amount
1	Dy. DEO (EE-M) HND	2018-20	Non Availability and Verification of CPRs	4.102
2	Dy. DEO (EE-W) BWN	2018-20	Non Availability and Verification of CPRs	6.307
3	Dy. DEO (EE-M) MND	2017-20	Non Deduction of Taxes	1.100
		2017-20	Non Availability and Verification of CPRs	0.919
<b>Total</b>				<b>12.428</b>

Due to weak internal controls, neither taxes were deducted nor were CPRs obtained from the concerned.

Non-verification of taxes by the concerned may result in loss to government amounting to Rs 12.428 million.

The matter was reported to CEO and DDOs concerned in September 2020. All DDOs replied that directions have been issued to concerned for submission of verified CPRs which would be shown to audit at the time of record verification. Reply was not tenable as no record was provided in support of reply.

DAC in its meeting held on 20.11.2020 directed to produce CPRs within a week or to recover the due amount from the concerned within a month. No progress was intimated till finalization of this Report.

Audit recommends provision of verified CPRs from FBR otherwise recovery from concerned be ensured at the earliest.

[AIR Para No.13, 16, 21 &27]

### 1.4.3 Non-accountal of stores in stock register – Rs 11.793 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”.

CEO, DEA Bahawalnagr and Deputy DEO (EE-M), MND made payment of Rs 11.793 million for purchase of general store items during 2017-20 but the items were not entered in relevant stock registers. Detail is given below:

<b>(Rupees in million)</b>			
<b>Sr. No.</b>	<b>DDOs</b>	<b>Period</b>	<b>Amount</b>
1	CEO (DEA) BWN	2019-20	7.549
2	Dy. DEO (EE-M) MND	2017-20	0.781
		2017-20	3.463
<b>Total</b>			<b>11.793</b>

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

Consumption of items without entering in relevant stock registers resulted in doubtful expenditure of Rs 11.793 million.

The matter was reported to CEO and DDOs concerned in September, 2020. CEO (DEA) BWN replied that relevant record was available but no stock register was produced at the time of DAC meeting. Dy. DEO (EE-M) MND replied that inquiries of mentioned schools were in process. Reply was not tenable as inquiries were not concluded till finalization of this Report.



DAC in its meeting held on 20.11.2020 directed to inquire the matter at the earliest otherwise effect the recovery of due amount from the concerned.

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

[AIR Para No. 01, 19 & 22]

#### **1.4.4 Irregular expenditure due to non-observing PPRA Rules – Rs 5.360 million**

According to Rules 9 and 12 of 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 PPRA's website. Procurement opportunities over Rs 100,000 and upto Rs 2,000,000 shall be advertised on PPRA's website in the manner and format specified by the PPRA from time to time.

Chief Executive Officer (DEA) BWN and Dy. DEO (EE-M) MND incurred expenditure of Rs 5.360 million on purchase of stationery and various other items through school management council without observing PPRA Rules. Neither annual requirement of procurement opportunities was determined nor were planned procurements advertised on PPRA's website to achieve benefits of competitive bidding. Moreover, indents were split to avoid fair tendering process.

#### **Annexure–C/BWN**

Due to weak financial management, Punjab Procurement Rules were not observed in true letter and spirit.

Non observance of Punjab Procurement Rules resulted in irregular expenditure of Rs 5.360 million.

The matter was reported to CEO and DDO concerned in September, 2020. DDOs replied that inquiries had been assigned to the concerned reporting officers

and would be submitted as and when finalized. Reply was not tenable as no results were produced before audit till finalization of this Report.

DAC in its meeting held on 20.11.2020, directed to enquire the matter at departmental level; otherwise, regularization of expenditure should be sought from the competent authority within one month.

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

[AIR Para No. 13 &24]

#### **1.4.5 Irregular appointment and change of cadre from PET to EST – Rs 4.156 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.

<b>Sr. No.</b>	<b>Post</b>	<b>Required Qualification</b>
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.

Contrary to the above criterion, Mrs. Ijaz Fatima currently working as EST under the administrative control of Deputy DEO (EE-W) Minchinabad was appointed as Physical Education Teacher (PET) on 01.03.1995 without possessing requisite qualification. Her cadre was changed from PET to EST on 20.01.1997 without approval of competent authority. Therefore, drawl of pay and allowances of Rs 4.156 million was held irregular. **Annexure–D/BWN**

Due to non-observing relevant rules, recruitment of the teacher was made without observing requisite qualification.

Recruitment without observing the requisite qualification resulted into irregular expenditure of Rs 4.156 million.

The matter was reported to CEO and DDO concerned in September, 2020. DDO replied that teacher was appointed as per rules. Reply was not tenable as recruitment of teacher was made against the prescribed rules without observing required qualification for the post.

DAC in its meeting held on 20.11.2020 directed to get the expenditure regularized from the competent authority within one month. 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.03]

## 1.5 Others

### 1.5.1 Unauthorized payment of SSB after regularization – Rs 54.722 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 were required to be regularized with immediate effect. Salaries of such employees were required to be fixed as per their pay scales and they were not entitled to the payment of 30% social security benefits in lieu of pension or any other pay package being drawn by them.

Four (04) DDOs of District Education Authority, Bahawalnagar made excess payment of Rs 54.722 million of Social Security Benefit (SSB) during 2017-20 to contract employees despite issuance of instructions regarding regularization of services by the government. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	No. of Employees	Period	Amount
1	CEO (DEA) BWN	764	2019-20	39.207
2	Dy. DEO (EE-M) HND	36	2018-20	1.744
3	Dy. DEO (EE-W) BWN	24	2018-20	1.037
4	Dy. DEO (EE-M) MND	259	2017-20	12.734
<b>Total</b>				<b>54.722</b>

Due to weak financial controls, Social Security Benefit (SSB) was paid in excess after regularization of services.

Payment of SSB after regularization resulted in excess payment of Rs 54.722 million.

The matter was reported to CEO and DDOs concerned in September, 2020. CEO (DEA) BWN replied that instructions were issued to DDOs for justification. DDOs replied that teachers were regularized and the cases had been sent to District Accounts Office for re-fixation of pay. Replies were not tenable as no recovery was effected till finalization of this Report.

DAC in its meeting held on 20.11.2020 directed to regularize the employees along with recovery of social security benefit allowance. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 54.731 million from the concerned besides regularization of employees and fixing responsibility on the person(s) at fault.

[AIR Para No. 07, 03, 03 & 05]

### 1.5.2 Loss due to payment of conveyance allowance – Rs 35.547 million

According to Rule 1.15 of the Punjab Travelling Allowance Rules, conveyance allowance was not admissible during any kind of leave except casual leave.

Four (04) DDOs of District Education Authority, BWN did not deduct conveyance allowance amounting to Rs 35.547 million from the teaching / non-teaching staff during vacations, lock down and leave period. Detail is given below:

**(Rupees in million)**

Sr. No.	DDOs	Period	Remarks	Amount
1	CEO (DEA) BWN	2019-20	Lock Down Period	30.632
2	Dy. DEO (EE-M) HND	2019-20	Lock Down Period	0.224
3	Dy. DEO (EE-M) MND	2017-20	Lock Down Period	0.348
		2017-20	Leave Period	0.242
4	Dy. DEO (EE-W) MND	2018-20	Winter Vacation	2.722
		2018-20	Lock Down Period	1.379
<b>Total</b>				<b>35.547</b>

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

Payment of conveyance allowance during vacations / leave periods resulted in over payment of Rs 35.547 million.

The matter was reported to CEO and DDOs concerned in September, 2020. CEO (DEA) BWN replied that amount was recovered from the concerned. Dy. DEO (EE-M) MND replied that DAO deducted CA for the month of March and April

from salaries of the employees. Dy. DEO (EE-W) MND replied that letters were issued for recovery to the concerned. Replies were not tenable as record in support of replies was not produced.

DAC in its meeting held on 20.11.2020 directed to recover remaining amount of Rs 35.547 million at the earliest. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 35.547 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Paras: 03, 08, 14, 15, 02, & 16]

### **1.5.3 Unjustified expenditure on account of Inspection Allowance to AEOs – Rs 25.459 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 (KPIs) developed by school education department with DIFD vide Notification No.SO (III)5-225/2017 dated 12.09.2017.

Four (04) DDOs of District Education Authority, BWN incurred expenditure of Rs 25.459 million on account of Inspection Allowance during 2019-20 to AEOs without ensuring compliance of Key Performance Indicators (KPIs). KPI statements were verified by CEO (DEA) without ensuring compliance/ performance as per prescribed KPIs issued by the competent authority. Detail is given below:

<b>(Rupees in million)</b>				
<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Employees</b>	<b>Period</b>	<b>Amount</b>
1	CEO (DEA) BWN	20	2019-20	18.342
2	Dy. DEO (EE-W) BWN	15	2019-20	1.281
3	Dy. DEO (EE-M) MND	19	2019-20	1.716
4	Dy. DEO (EE-W) MND	13	2019-20	4.12
		<b>67</b>		<b>25.459</b>

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 overpayment of Rs 25.459 million.

The matter was reported to CEO and DDOs concerned in September, 2020. CEO (DEA) BWN and all DDOs replied that payment of inspection allowance was made to AEOs in accordance with government's instructions and after fulfilling KPI's. Replies were not tenable as department did not produce any record in support of reply.

DAC in its meeting held on 20.11.2020 directed to seek clarification from the Finance Department within one month regarding admissibility of inspection allowance during vacation and period of Covid-19. No progress was intimated till finalization of this Report.

Audit recommends seeking clarification from the Finance Department within one month otherwise ensuring recovery from the concerned.

[AIR Para No. 16, 05, 08 & 18]

#### **1.5.4 Loss due to unauthorized award of advance increments – Rs 2.804 million**

As per clarification issued by the Finance Department advance increments are not allowed to any teacher. Recovery prior to 23.09.2013 is waved off and recovery after 23.09.13 be made from the concerned and pay be re-fixed in existing pay scales accordingly.

Two (02) DDOs working under the control of CEO (DEA) BWN made excess payment of Rs 2.804 million to teachers on advance increments without admissibility and pay was not re-fixed. As per above clarification issued by the finance department, recovery of advance increments was waived off upto 23.09.2013 and directions were issued for recovery of over payment from 24.09.2013. The detail is given on next page:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Employees</b>	<b>Amount</b>
1	Dy. DEO (EE-M) MND	10	1.851
2	Dy. DEO (EE-W) MND	4	0.953
<b>Total</b>		<b>14</b>	<b>2.804</b>

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

Grant of inadmissible increments resulted in over payment of Rs 2.804 million.

The matter was reported to CEO and DDOs concerned in September, 2020. Dy. DEO (EE-M) MND replied that matter was brought into the notice of apex office. Dy. DEO (EE-W) MND replied that increments were granted as per rules. Replies were not tenable as increments were not allowed and finance department directed for recovery w.e.f. 24.09.2013.

DAC in its meeting held on 20.11.2020 directed to keep the para pending for recovery within one month. No progress was intimated till finalization of this Report.

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

[AIR Para No. 12 & 20]



## 2. District Education Authority Bahawalpur

### CHAPTER 2.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by 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 2019-20:

(Rupees in million)				
Description	Budget	Actual	Lapse	Lapse (Per Cent)
Non-Development	12,087.737	8,885.068	3,202.669	26.49
Development	285.169	142.715	142.454	49.95
<b>Total</b>	<b>12,372.906</b>	<b>9,027.783</b>	<b>3,345.123</b>	<b>27.04</b>

\*Source: Appropriation Accounts 2019-20

Development includes an expenditure of Rs 142.715 million against allocation of Rs 285.169 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 142.454 million lapsed during the year 2019-20.

Non utilization of Rs 3,202.669 million in non-development budget was due to non-completion of various development schemes during 2019-20.

Financial data showed that an amount of Rs 3,345.123 million lapsed due to inefficient financial management.

**ii. Analysis of Appropriation Accounts and Financial Statements (Certification Audit)**

During Certification Audit of the accounts and financial statements of DEA Bahawalpur for the Audit Year 2020-21, it was noticed that difference between Financial Statements and balance of State Bank remained un-reconciled till closing of financial year. Wrong treatment of civil works expenditure was made and Fixed Assets were not reported in the Financial Statements. Similarly, irregular payments were made to the brick kiln children and various employees as well.

The following issues surfaced during Certification Audit of DEA BWP:

- Non-reporting of Fixed Assets – Rs 24.044 million
- Loss due to payment of conveyance allowance during lock down and vacations – Rs 39.914 million

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

**iii. 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 2019-20. These indicators were introduced, implemented and monitored through PMIU (Punjab Monitoring Information Unit) being part of CM Roadmap 2014. The objectives of CM Roadmap were to improve education standards through improved environment, improved ratio of admissions & their retention, zero tolerance for drop out, provision of missing facilities in schools and improved education of information technology through IT labs. Preparation of action plans for proper monitoring at each level was also part of that. Detail of targets and achievements is given on next page:

## Status regarding indicators and their achievements for the Financial Year 2019-20

(Figures in percentage)

Sr. No.	Indicators	Sub Indicators	Comparison of Targets and their Achievements		Remarks
			Targets	Achievements	
1	<b>Quality indicator</b>	Literacy and numeracy drive	82	81.09	Achieved
2	<b>Core Indicators</b>	Students Attendance (K-12)	92	93.44	Achieved
		Teacher Presence	90	92.67	Achieved
		Head Teacher Presence	90	92.87	Achieved
		Availability of Boundary Wall	98	97.63	Achieved
		Availability of Drinking Water	95	99.90	Achieved
		Availability of Furniture	70	97.63	Achieved
		Classroom Observation	80	91.98	Achieved
3	<b>Infrastructure Indicators</b>	Safe Buildings	98	97.63	Achieved
		NSB Timelines (Non-Salary Budget)	90	-	Not clear
		NSB Utilizations	90	61.82	Not Achieved
		Data of health condition	90	91.94	Achieved
		Sufficiency of Toilets	84.17	94.50	Achieved
		Retention (Kachi-12)	97	98.52	Achieved
4	<b>Monitoring &amp; Management Indicators</b>	School Hygiene	80	85.50	Achieved
		Partial facility	1	1.54	Achieved
		One time Resolution	90	100	Achieved

\*Source\* Data received from CEO (DEA)

The above details showed that although District Education authority Bahawalpur achieved most of its targets but still there was room for improvement and for achieving excellence by better utilization of resources.

### iv. Service Delivery Issues

From analysis of indicators and sub-indicators of District Education Authority Bahawalpur, it was observed that infrastructure development in terms of NSB timelines and its utilization still needed improvement to ensure better service delivery.

### v. Serious Financial Irregularities and Findings

- i. Procedural Irregularities of rules amounting to Rs 124.773 million were noticed in six cases.

- ii. Other matters involving an amount of Rs 33.659 million were noticed in four cases.
- iii. Pension related issues amounting to Rs 59.553 million were noticed in three cases.

**vi. Expectation Analysis and remedial Measures**

CEO DEA did not prepare authentic budget. Lapse of funds amounting to Rs 3,345.123 indicated that proper need assessment was not done. Financial data and targets/ achievements data showed contradiction from various aspects. Lapse of funds reflected that either budget forecasting was not properly worked out or proper planning for setting targets and achieving those was not done. Further, management of authority did not bring innovative ideas to upgrade the infrastructure of schools.

**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.
- 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.

## **AUDIT PARAS**

Following observations surfaced during the audit of financial year 2019-20:

### **2.1.1 Non-reporting of Fixed Assets – Rs 24.044 million**

According to Section 13.4.4.1 of Accounting Policies and Procedure Manual, a memorandum account for fixed assets shall be maintained by 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 vouchers submitted to DAO/AG/AGPR shall also include information on Fixed Assets Form (form 13B).

District Accounts Office Bahawalpur authorized payments of Rs 24.044 million on account of purchase of fixed assets for the year 2019-20 without maintaining memorandum account and form 13-B. Further, expenditure was not included in statement of capital expenditure and on asset side of balance sheet. Quarterly report was also not sent to Accountant General Punjab for reconciliation with report sent by PAO.

The statement of fixed assets shows the cost of assets at the beginning and at the end of the reporting year. In the absence of this statement proper valuation and control over fixed assets was not possible. Moreover, balance sheet was not showing true picture of the financial position of the District.

Audit recommends reporting of fixed assets in balance sheet.

DAO replied that accounts were prepared in a manner prescribed by the Auditor General of Pakistan under section 5 of CGA ordinance 2001. The financial statements were prepared as per NAM. Assets and liabilities accounting practices had not yet been implemented. A certificate duly signed by the Accountant General Punjab was incorporated in the preface of financial statements for the year 2019-20.

DAC directed for compliance of para in true letter and spirit.

Audit recommends reporting of fixed assets in balance sheet.

### **2.1.2 Loss due to payment of conveyance allowance during lock down and vacations – Rs 39.914 million**

According to section No. 4.6.12.13 of APPM, the supervising payroll officer shall check that all amendments to payroll are accurate. He will compare current month payroll to that of last month and review exceptions if any and he will also 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, conveyance 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.

District Accounts Officer, Bahawalpur made payment of conveyance allowance of Rs 39.914 million to teaching staff during lockdown, summer & winter vacations without admissibility.

Due to weak internal controls, conveyance allowance was paid during winter vacations. Payment of conveyance allowance during winter vacations resulted in over payment of Rs 39.914 million.

Audit recommends recovery of Rs 39.914 million.

Management replied that recovery on account of conveyance allowance was made from the salaries of the employees who availed any kind of leave. They have no authority of physical verification.

DAC directed to get the relevant record verified within two days otherwise to recover the due amount from the concerned within a month

Audit recommends recovery of Rs 39.914 million.

## CHAPTER 2.2

### DEA Bahawalpur

#### 2.2.1 Introduction

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 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 DEA Group of Offices is carried out in accordance with the laws and to coordinate the activities of that group of offices for coherent planning, development, effective and efficient functioning of District Administration. DEA Bahawalpur manages following educational facilities and institutes:

Sr. No.	Description	No. of Education Institutes
1	Primary Schools	1,187
2	Elementary schools	279
3	Higher Secondary Schools (Boys & Girls)	27
4	High Schools (Boys & Girls)	166
5	Special Education Schools / Centers	12
6	Deputy District Education Officers (EE-M)	6
7	Deputy District Education Officers (EE-W)	6
8	District Education Officers (Secondary)	1
9	District Education Officers (EE-M)	1
10	District Education Officers (EE-W)	1
11	District Education Officers (Literacy)	1
12	District Education Officers (Special Education)	1
13	Chief Executive Officer (Education)	1

Detail of formations under the administrative control of CEO and their expenditure is given on next page:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	200	05	1,083.467	-
2	Assignments Accounts	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

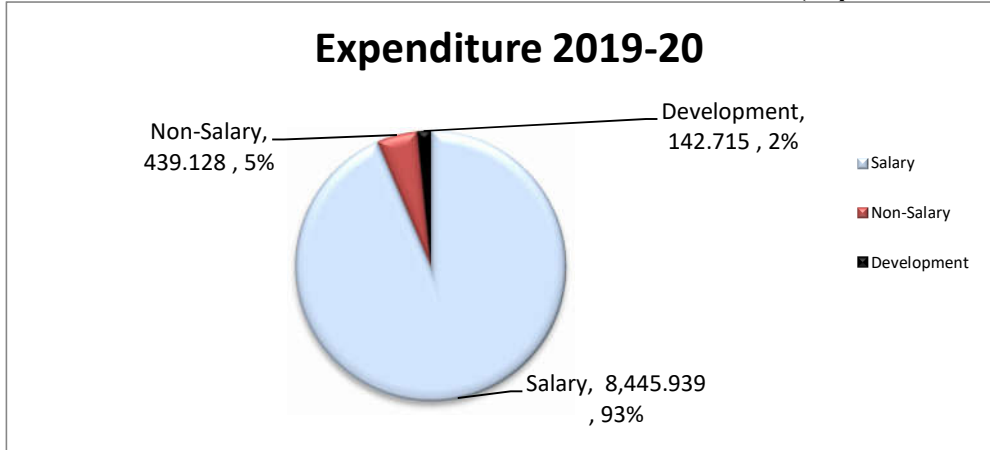
## 2.2.2 Comments on Budget and Accounts (Variance Analysis)

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

(Rupees in million)

Sr. No.	Description	2019-20	Budget	Actual	Excess (+) / Lapse (-)	% (Lapse)
1	Non-Development	Salary	11,623.431	8,445.939	-3,177.491	-27.337%
		Non-Salary	464.306	439.128	-25.178	-5.423%
		<b>Total</b>	<b>12,087.737</b>	<b>8,885.068</b>	<b>-3,202.669</b>	<b>-26.495%</b>
2	Development	-	285.169	142.715	-142.454	-49.954%
<b>Grand Total</b>			<b>12,372.906</b>	<b>9,027.783</b>	<b>-3,345.123</b>	<b>-27.036%</b>

(Rupees in million)

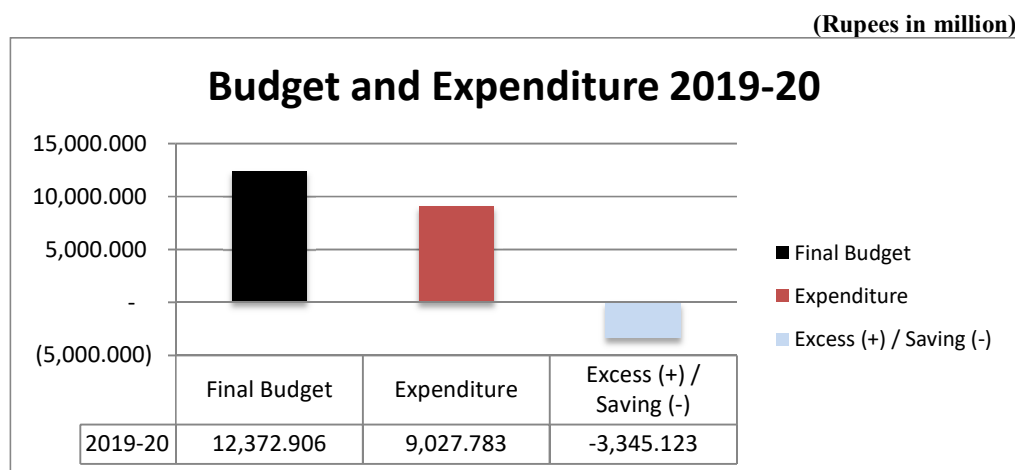


As per Appropriation Accounts 2019-20 of District Education Authority, Bahawalpur, total final budget (Development & Non-Development) was Rs 12,372.906 million. Against the final budget, total expenditure of Rs 9,027.783 million was incurred by District Education Authority during 2019-20. Lapse of



Rs 3,345,123 million came to the notice of audit and that was due to inefficient financial management in release of budget. No plausible explanation was provided by PAO and management of District Education Authority (**Annexure–B**).

The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.



### 2.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 158.432 million were raised as a result of this audit. This amount also includes recoverable amount of Rs 48.218 million pointed out by audit. Summary of 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	Procedural Irregularities	0
A	HR/Employees related irregularities	22.233
B	Procurement related irregularities	102.540
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	0
5	Others	33.659

#### **2.2.4 Comments on the Status of Compliance with PAC directives**

Following audit reports pertaining to previous years were submitted to the Governor of Punjab for causing it to be laid before Public Accounts Committee so far.

##### **Status of Previous Audit Reports**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	03	PAC not constituted
2	2018-19	11	PAC not constituted
3	2019-20	15	PAC not constituted

## **AUDIT PARAS**

### **2.3 Procedural Irregularities**

#### **2.3.1 Unlawful conduct of business of District Education Authority**

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 30.06.2018), 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 two years.

Deputy Commissioner, Bahawalpur continued to hold the office as Administrator and exercised the powers of the authority beyond lawful tenure of two years which was expired on 31.12.2018. Therefore, conducting business of the Education Authority, Bahawalpur including approval of Annual Budget of Rs 14,637.677 million and subsequent expenditure of Rs 9,015.267 million was held un-authorized. Further, exercising power of the House / Authority beyond prescribed period was against the above quoted rule.

Due to non-observance of prevailing rules, budget of DEA was approved by un-authorized person i.e. Deputy Commissioner, Bahawalpur.

Unauthorized approval of budget resulted in irregular sanctioning of budget as well as irregular expenditure of Rs 9,015.267 million.

The matter was reported to CEO concerned in September, 2020. DDO replied that approval of budget was made as per policy of Govt. of Punjab. Reply was not tenable as budget was approved by an authority without having legal status in rules.

DAC in its meeting held on 14.11.2020 directed to get the expenditure regularized from the competent authority within a month. 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: 01]

### **2.3.2 Blockage of public money due to poor financial planning – Rs 66.345 million**

According to Rule 8(b) of the 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 rule. Further, according to Rule 36(1) *ibid*, as far as possible, development project shall be completed within the financial year.

Chief Executive Officer (DEA) Bahawalpur received funds of Rs 66.345 million during financial year 2017-18 for purchase of furniture for newly built class rooms under Khadim-E-Punjab School Programme (KPSP). Despite lapse of reasonable time, neither the construction of new class rooms was completed nor could purchase of furniture be initiated.

Due to inefficient financial management, funds could not be utilized.

Non utilization of funds resulted in blockage of funds amounting to Rs 66.345 million.

The matter was reported to CEO concerned in September, 2020. CEO replied that funds were received for purchase of furniture but purchase was not made due to non-construction of class rooms.

DAC in its meeting held on 14.11.2020 directed to take up the matter with concerned authorities and ensure compliance within a month. No progress was intimated till finalization of this report.

Audit recommends to take up the matter with the quarters concerned for early completion of development schemes besides fixing responsibility on the person(s) at fault.

[AIR Para No. 3]

### 2.3.3 Irregular expenditure due to appointment of teachers below prescribed qualification – Rs 22.233 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 teacher's qualification was above the prescribed qualification.

Two (02) DDOs of District Education Authority, BWP appointed twenty-six (26) teachers on the basis of Matric despite the fact that required qualification for that post was enhanced to F.A / FSc. with diploma in relevant field. Payment of pay and allowances without having prescribed qualification resulted in irregular expenditure of Rs 22.233 million. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Post	No. of Employee	Prescribed Qualification	Actual Qualification	Amount
1	Dy. DEO (EE-M) Yazman	PTC	21	FA / FSc. / PTC	Matric	14.186
		PET/EST	3	FA / F.Sc. with diploma in relevant field	Matric	3.195
2	Dy. DEO (EE-W) APE	PTC	2	FA / FSc. / PTC	Matric	4.852
<b>Total</b>			<b>26</b>			<b>22.233</b>

Due to non-observance of prevailing rules, employees were recruited without having prescribed qualification.

Recruitment of employees without having prescribed qualification resulted in irregular expenditure of Rs 22.233 million.

The matter was reported to CEO and DDOs concerned in September, 2020. DDOs replied that appointments were made as per advertisement published by the Secretary Govt. of the Punjab Education Department. Replies were not tenable as prescribed qualification for the post was enhanced by the competent authorities.

DAC in its meeting held on 14.11.2020 directed to get the irregularity condoned from the competent authority within a month. No 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, 14 & 18]

### 2.3.4 Non-deduction / deposit of taxes and non-verification of CPRs – Rs 14.542 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 15<sup>th</sup> of the following months.

Chief Executive Officer and four (04) DDOs working under the administrative control of CEO (DEA) BWP did not deduct relevant taxes on prescribed rates from the bills of suppliers. Purchases were made from different suppliers without obtaining Computerized Payment Receipts (CPRs) of Rs 12.428 million during the period 2017-20. DDOs withheld tax @ 20% of GST but intimation to concerned collectorate was not forwarded for verification regarding deposit of remaining 80% of GST by the suppliers. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Period	Remarks	Amount
1	CEO (DEA) BWP	2019-20	Taxes not deposited	0.255
2	Dy. DEO (EE-M) Saddar BWP	2015-20	Payment by Schools instead of Suppliers	2.971
		2015-20	Payment by Schools instead of Suppliers	5.907
3	Dy. DEO (EE-M) Yazman	2018-20	Taxes not deposited	0.192
		2018-20	Taxes not deposited	3.126
		2018-20	Taxes not Deducted	1.92
4	Dy. DEO (EE-W) APE	2017-20	Non Availability and non-verification of CPRs	0.133
5	Dy. DEO (EE-W) KPT	2018-20	Taxes not deposited	0.038
<b>Total</b>				<b>14.542</b>

Due to weak financial controls, taxes were not deducted / deposited and CPRs were not obtained from the concerned.

Non-verification/ collection of CPRs resulted in doubtful deduction of taxes amounting to Rs 14.542 million.

The matter was reported to CEO and DDOs concerned in September, 2020. Dy. DEO (EE-M) Yazman replied that purchases were made from registered suppliers. CEO (DEA) BWP and other DDOs replied that requests were sent to Commissioner Inland Revenue for verification and recovery of taxes. Replies were not tenable as no relevant record i.e. CPRs was produced in support of replies.

DAC in its meeting held on 14.11.2020 directed to provide relevant record for verification within fortnight; otherwise, recovery of due amount be effected from the concerned within a month. No 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. 23, 16, 17, 11, 16, 17, 04 &14]

### **2.3.5 Irregular expenditure due to non-observing PPRA Rules – Rs 11.586 million**

According to Rules 9 and 12 of Punjab Procurement Rules 2009 and 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 PPRA's website. Procurement opportunities over Rs 100,000 and upto Rs 2,000,000 shall be advertised on PPRA's website in the manner and format specified by PPRA from time to time.

Four (04) DDOs of District Education Authority, Bahawalpur incurred expenditure of Rs 11.586 million on purchase of stationery, furniture and civil work items without observing PPRA Rules. Neither annual requirement of procurement opportunities was determined nor was planned procurement advertised on PPRA's

website to achieve benefits of competitive bidding. Moreover, splitting was made in indents to avoid fair tendering process. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Amount
1	CEO (DEA) BWP	1.128
2	Dy. DEO (EE-M) Saddar BWP	0.518
3	Dy. DEO (EE-M) Yazman	9.815
4	Dy. DEO (EE-W) APE	0.125
<b>Total</b>		<b>11.586</b>

Due to weak financial management, Punjab Procurement Rules were not observed in true letter and spirit.

Non observance of Punjab Procurement Rules resulted in irregular expenditure of Rs 11.586 million.

The matter was reported to CEO and DDOs concerned in September, 2020. All the DDOs replied that purchases through PPRA were not possible as funds were received from the Finance Department on quarterly basis and authority released accordingly. Replies were not tenable as releases made on quarterly basis were not produced.

DAC in its meeting held on 14.11.2020 directed to get the expenditure regularized from the competent authority within a month. No 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, 13, 19 & 03]

### **2.3.6 Irregular expenditure in violation of school council policy – Rs 10.067 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 executed according to the Government approved design and specifications,



up to financial limit of Rs 400,000 during a financial year and details of items were mentioned in school council policy.

Dy. DEO (EE-M) Yazman incurred expenditure of Rs 10.067 million on account of NSB in violation of school council policy. Works were executed without preparation and approval of design, detailed estimates and without obtaining requisite NOC from the concerned authorities. **Annexure–C/BWP**

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 10.067 million.

The matter was reported to CEO and DDO concerned in September, 2020. DDO replied that expenditure was made from NSB; so, there was no need of detailed design and estimates. Reply was not tenable as expenditure was incurred without observing school council policy.

DAC in its meeting held on 14.11.2020 directed to get the expenditure regularized from competent authority within a month. 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. 18]

## 2.4 Others

### 2.4.1 Unauthorized payment of Inspection Allowance – Rs 15.406 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.

Three (03) DDOs of District Education Authority, BWP incurred expenditure of Rs 15.406 million on account of Inspection Allowance during 2018-20 without ensuring compliance of Key Performance Indicators (KPIs) developed by the School Education Department. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	No. of Employees	Period	Amount
1	Dy. DEO (EE-M) Saddar BWP	10	2018-20	6.064
2	Dy. DEO (EE-M) Saddar BWP	10	2019-20	0.800
3	Dy. DEO (EE-M) Yazman	16	2018-20	8.541
<b>Total</b>				<b>15.406</b>

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

Payment of Inspection Allowance without ensuring compliance of KPIs resulted in unauthorized payment of Rs 15.406 million.

The matter was reported to CEO and DDOs concerned in September, 2020. All DDOs replied that payment of inspection allowance was made after fulfillment of prescribed KPIs. Replies were not tenable as relevant record i.e. Key Performance Indicators (KPIs) were not produced.

DAC in its meeting held on 14.11.2020 directed to get the relevant record verified from audit within a week; otherwise, recover the due amount from the concerned. No progress was intimated till finalization of this Report.

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

[AIR Para No. 06, 07 & 06]

#### 2.4.2 Overpayment of conveyance allowance – Rs 12.585 million

According to Rule 1.15 of the Punjab Travelling Allowance Rules, conveyance allowance was not admissible during any kind of leave except casual leave.

Chief Executive Officer (DEA) BWP and three (03) DDOs working under the administrative control of CEO (DEA) BWP did not deduct conveyance allowance amounting to Rs 12.585 million from the teaching / non-teaching staff during vacations, lockdown and leave period. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Period	Type of leave	Amount
1	CEO (DEA) BWP	2019-20	Leave Period	0.344
2	Dy. DEO (EE-M) Sadar BWP	2019-20	Lockdown Period	3.329
		2015-20	Lockdown and Leave Period	1.181
3	Dy. DEO (EE-M) Yazman	2018-20	Lockdown and Leave Period	1.821
		2018-20	Leave Period	0.088
4	Dy. DEO (EE-W) APE	2018-20	Leave Period	4.137
		2017-20	Lockdown Period	1.685
<b>Total</b>				<b>12.585</b>

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

Payment of conveyance allowance during vacations / leave period resulted in overpayment of Rs 12.585 million.

The matter was reported to CEO and DDOs concerned in September, 2020. All DDOs replied that recovery of said amount was in process but no progress was shown.

DAC in its meeting held on 14.11.2020 directed to recover due amount from the concerned within a month as no record was produced for verification. No progress was intimated till finalization of this Report.

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

[AIR Para No. 25,07, 18, 05, 07,2 &16]

### 2.4.3 Overpayment of SSB after regularization – Rs 3.138 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 were required to be regularized with immediate effect. Salaries of such employees were required to be re-fixed as per their pay scales and they were not entitled to the payment of 30% SSB in lieu of pension or any other pay package being drawn by them.

Three (03) DDOs working under the administrative control of CEO (DEA) BWP made excess payment of Rs 3.138 million to 132 employees on account of Social Security Benefit during 2018-20 after regularization of their services. Detail is given below:

(Rupees in million)				
Sr. No.	DDOs	No. of Employees	Period	Amount
1	Dy. DEO (EE-M) Yazman	91	2018-20	1.242
		31	2018-20	1.651
2	Dy. DEO (EE-W) KPT	04	2018-20	0.224
3	Dy. DEO (EE-W) APE	06	2018-20	0.021
<b>Total</b>		<b>132</b>		<b>3.138</b>

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

Payment of SSB after regularization resulted in overpayment of Rs 3.138 million.

The matter was reported to CEO and DDO concerned in September, 2020. DDOs replied that recovery and cases of regularization were under process. Replies of the DDOs were not tenable as no relevant record was produced.

DAC in its meeting held on 14.11.2020 directed to get the relevant record verified from audit within a week and recover the due amount from the concerned within a month. No 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. 08,09,20 &7]

#### **2.4.4 Loss due to unauthorized award of advance increments – Rs 2.530 million**

As per clarification issued by the Finance Department advance increment was not allowed to any teacher. Recovery prior to 23.09.2013 was waived off and recovery after 23.09.13 be made from the concerned and pay be re-fixed in the existing pay scales accordingly.

Dy. DEO (EE-W) Ahmad Pur East working under the administrative control of CEO (DEA) BWP made excess payment of Rs 2.530 million to seven (07) teachers on advance increments without admissibility and pay was not re-fixed. As per above clarification issued by the finance department, recovery of advance increments was waived off upto 23.09.2013 and directions were issued for recovery of over payment from 24.09.2013.

Due to poor financial management and weak internal controls, advance increments were granted to teachers without admissibility.

Grant of inadmissible increments resulted in over payment of Rs 2.530 million.

The matter was reported to CEO and DDOs concerned in September, 2020. Deputy DEO (W) Ahmadpur East replied that the matter was sub-judice in court. Further suspension orders of recovery were not produced to audit.

DAC in its meeting held on 14.11.2020 directed to pursue the case actively in court. No progress was intimated till finalization of this Report.

Audit recommends re-fixation of pay besides recovery of due amount from the concerned (if so decided by court) after decision of court case.

[AIR Para No. 20]

## 2.5 Issues related to Pension Payments

### 2.5.1 Non collection of pension contribution share from concerned DDOs – Rs 41.328 million

As per letter No. FD(DG&PFC)1 instruction Act 13/2016 (pension) dated 07.11.2018 issued by the Finance Department “it has been clarified that successor Local Government Zila council /TMAs shall pay pension contribution to concerned District Education / District Health Authorities @ 40% of basic pay for the period the employees served in the local council”.

Dy. Director Budget & Accounts of CEO (Education) DEA Bahawalpur did not collect pension contribution of eighty-two (82) employees who were adjusted in district education authority from local councils. DEA failed to collect and deposit pension contributions into pension account. Detail is as follows:

(Rupees in million)

Sr. No.	Period	Working strength of MC Cadre employees	Average Basic Pay of Employees	40% Pension Contribution (Approx.)
1	2017-2018	82	30,000	41,328,000
2	2018-2019			(82x30,000x42 months=103,320,000)
3	2019-2020			
<b>Total</b>				<b>41.328</b>

Due to weak financial management, pension contribution was not collected from the concerned DDOs.

Non collection of pension contribution from the concerned DDOs resulted in violation of rules.

The matter was reported to PAO and DDO concerned in December, 2020. DDO replied that pension contribution was collected from the concerned MC at the time of retirement of the official. Reply was not tenable as neither record was produced during audit nor at the time of record verification.

DAC in its meeting held on 27.01.2021 directed to recover the due amount of pension contribution from the concerned DDO within a month. No progress was intimated till finalization of this Report.

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

[AIR Para No. 8]

### **2.5.2 Irregular payment of pension without essential record – Rs 16.438 million**

According to Government of Punjab Finance Department letter No. FD.SR-III/4-303/2012 dated April-01, 2014 (iii)(i), the pensioner drawing pension through DCS shall produce a life certificate to DAO, bi-annually in the prescribed Forms-C and C-I respectively in person or through his banker.

Chief Executive Officer (DEA) Bahawalpur made payment of Rs 16.438 million on account of pension to nineteen (19) pensioners without ensuring essential record such as life and no marriage certificates in violation of instructions issued by the Govt. of the Punjab. Department neither obtained life and no marriage certificates nor stopped payment of pension. Detail is given below:

**(Rupees in million)**

<b>Sr. No.</b>	<b>Description of Record</b>	<b>Nos. of Pensioners</b>	<b>Amount</b>
1	Life Certificate	13	11.620
2	No marriage certificate	06	4.818
<b>Total</b>		<b>19</b>	<b>16.438</b>

Due to weak financial controls, pension payments were made without obtaining life and no marriage certificates.

Non-obtaining of life and no marriage certificates on bi-annual basis resulted in irregular expenditure.

The matter was reported to PAO and DDO concerned in December, 2020. DDO replied that payment of pension was made after verification of essential record; however, due to non-verification of some cases the payments were stopped. Reply was not tenable as neither record was produced during audit nor at the time of record verification.

DAC in its meeting held on 27.01.2021 directed to get the relevant record verified from Audit within a week. No progress was intimated till finalization of this Report.

Audit recommends obtaining the required certificates from the concerned besides ensuring payment of pension after verification of life certificates.

[AIR Para No. 01& 02]

### 2.5.3 Doubtful payment of family pension to spouses with different Family Numbers – Rs 1.787 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.

Chief Executive Officer (DEA) Bahawalpur made payment of Rs 1.786 million on account of family pension to spouses with different “Family Number” mentioned on spouse’s CNICs. Further, addresses and CNIC code numbers of spouses were found different from pensioners which created doubts regarding authenticity of payment. Detail is as follows:

				(Rupees in million)
Sr. No.	Description	Pensioner/Employee	Spouse	Family Pension
1	Name	Syed Kh. Fiaz Hussain	Syeda Iqbal Bibi	Rs 1,054,662 (Rs 25,111 current pension x 42 months Jan. 2017 to June 2020)
	CNIC No.	31201-0309045-7	31201-0290325-4	
	CNIC Issuance Date	N/A	14.07.2016	
	Family Identification No.	084327	F9309S	
	Date of Death	07.02.2003	N/A	
	Address on CNIC	House No. 120, Noor Shah Bukhari, Tehsil Ahmadpur East (BWP)	House No. 121-IV, Mohalla Khawajgan, Noor Shah Bukhari, Tehsil Ahmadpur East	
2	Name	Sabiha Yasmin	M. Qasim Ali	Rs 732,270 (Rs 17,435 current pension x 42 months Jan. 2017 to June 2020)
	CNIC No.	31201-8469145-2	31205-7893154-3	
	CNIC Issuance Date	N/A	29.09.2014	
	Family Identification No.	604945	5C3833	
	Date of Death	19.01.2016	N/A	
	Address on CNIC	Karim Abad Colony, Tehsil Ahmadpur East	Chak No. 27/DNB, Tehsil Yazman	
<b>Total</b>				<b>1.786</b>



Due to weak internal controls, payment of pension was made to families having contrary family numbers.

Making payment of family pension without ensuring similar family numbers resulted into irregular payment of pension.

The matter was reported to PAO and DDO concerned in December, 2020. DDO replied that payment of pension to the pensioner was made after verification of relevant record. Reply was not tenable as record in support of reply was not produced at the time of record verification.

DAC in its meeting held on 27.01.2021 directed to get verified the relevant record from audit within a week. No progress was intimated till finalization of this Report.

Audit recommends inquiring the matter and fixing of responsibility on the person(s) at fault.

[AIR Para No. 05]

### 3. District Education Authority Rahim Yar Khan

#### CHAPTER 3.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Rahim Yar Khan on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

Sr. No.	Description	2019-20	Budget	Actual	Lapse	Lapse (Per Cent)
1	Non-Develop	Salary	14,743.515	10,968.902	3,774.613	25.602%
		Non-Salary	1,115.882	496.638	619.243	55.494%
		<b>Total</b>	<b>15,859.397</b>	<b>11,465.541</b>	<b>4,393.856</b>	<b>27.705%</b>
2	Development	-	327.051	205.518	121.533	37.160%
<b>Grand Total</b>			<b>16,186.448</b>	<b>11,671.059</b>	<b>4,515.389</b>	<b>27.896%</b>

\*Source: Appropriation Accounts 2019-20

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 121.533 million lapsed during the year 2019-20.

Financial data shows that funds were not utilized to achieve the targets. An amount of Rs 4,515.389 million lapsed due to inefficient financial management.

## **ii. Analysis of Appropriation Accounts and Financial Statement**

During Certification Audit of DEA Rahim Yar Khan for the Audit Year 2020-21, difference in budget & expenditure between Appropriation Accounts and SAP data was observed. Further, 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:

- Abnormal delay in transfer of receipt – Rs 57.592 million
- Un-reconciled difference between payments and receipts of Financial Statements and Bank Statements – Rs 161.138 million
- Authorization of payment on account of Fixed Assets without ensuring mandatory record – Rs 35.042 million

Above issues were discussed in the clearing house meeting. Commitment for remedial measures was made by the Accountant General Punjab and Finance Department Punjab.

## **iii. 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 2019-20. These indicators were introduced, implemented and monitored through Punjab Monitoring Information Unit (PMIU) being part of CM Roadmap 2014. The objectives of Roadmap were to improve education standards through improved environment, improved ratio of admissions & their retention, zero tolerance for drop out, provision of missing facilities in schools and improved education of information technology through IT labs. Prepare action plans for proper monitoring at each level. The detail of targets and achievements is given on next page:

## Status regarding indicators and their achievements for the Financial Year 2019-20

(Figures in percentage)

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

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

Due to poor management, targets set could not be achieved completely. NSB timelines, NSB utilization and retention of students were also less achieved.

### iv. Service Delivery Issues

From analysis of indicators and sub-indicators of District Education Authority Rahim Yar Khan, it has been observed that the Authority improved its overall performance in various areas. However, infrastructure development in terms of availability of safe schools building and secure environment for students, school hygiene, NSB timelines and its utilization still need improvement to ensure better service delivery.

**v. Serious Financial Irregularities and Findings**

- Non production of record amounting to Rs 57.966 million was noted in one case.
- Procedural Irregularities amounting to Rs 612.644 million were noticed in eight cases.
- Other issues involving an amount of Rs 46.672 million were observed in three cases.

**vi. Expectation Analysis and Remedial Measures**

CEO DEA failed to prepare authentic budget as per needs as budget was not optimally utilized. Neither funds were allocated for provision of safe school buildings for secure environment to the students nor was proper monitoring regarding expenditure out of NSB and improved school hygiene carried out.

**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 should be ensured.
- Taking steps towards provision of furniture in all schools.
- 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.

## AUDIT PARAS

Following observations surfaced during the audit of financial year 2019-20:

### 3.1.1 Abnormal delay in transfer of receipts - Rs 57.592 million

According to Paras 2.2.2.9 and 6.5.3.5 of APPM, District Accounts Officer is responsible for accounting functions and sign a monthly reconciliation statement on the basis of the general ledger. The Accountant General's offices (including AGPR) are responsible for consolidating the accounts submitted by DAOs and self-accounting entities, into the 'Consolidated Monthly Accounts'. These accounts shall be submitted to the Auditor-General of Pakistan and to the respective Finance Division/ Department by 15th of the following month.

District Accounts Office Rahim Yar Khan transferred receipts of 2017-18 of Rs 164.258 million in October 2019. DAO not only transferred the receipt late but also showed the receipts as cash at bank irregularly. Similarly, amount of Rs 57.591 million was transferred on 30.07.2020 due to which cash balance was shown Rs 123.463 million instead of actual balance of Rs 65.871 million in financial statements for the year 2019-20. Further, amount of receipt was also being used for payment of expenditure in violation of prevailing rules of Public Accounts. Detail is given below:

(Rupees in million)			
Sr. No.	Receipt for the Month	Transferred on	Amount
1	Jul-19	11.12.2019	55.166
2	Aug-19	11.12.2019	55.120
3	Sep-19	11.12.2019	54.423
4	Oct-19	11.12.2019	55.157
5	Nov-19	11.12.2019	55.440
6	Dec-19	03.06.2020	81.067
7	Jan-20	03.06.2020	29.351
8	Feb-20	03.06.2020	57.599
9	Mar-20	03.06.2020	58.590
10	Apr-20	03.06.2020	58.447
11	May-20	03.06.2020	90.822
12	<b>Jun-20</b>	30.07.2020	57.592
<b>Total</b>			<b>708.775</b>

Incomplete transactions were recorded and incorrect financial reporting.

Accurate amount be transferred within the prescribed period and accounts be updated accordingly.

The DAO replied that transfer payments of one month were made in the next month. Further, no any expenditure was incurred out of such funds.

DAC directed to get the matter regularized from the competent authority within a month.

Accurate amount be transferred within the prescribed period and accounts be updated accordingly.

### **3.1.2 Un-reconciled difference between payments and receipts of Financial and Bank Statements – Rs 161.138 million**

According to paras 2.2.2.9 & 6.3.4.2 of APPM, the District Accounts Officers are responsible for the accounting functions and preparation of monthly reconciliation statements for expenditure and receipts.

District Accounts Officer Rahim Yar Khan did not reconcile the bank statements and financial statements of receipts and expenditure. Due to non-reconciliation, difference of Rs 161.138 million was reported in cash balance of NBP RYK and State Bank of Pakistan, Karachi. Detail is given below:

**(Rupees in million)**

<b>Sr. No.</b>	<b>Payment as per Financial Statements</b>	<b>Payment as per NBP</b>	<b>Difference</b>
1	11671.059	11832.19747	161.1385

Calculation and reporting in financial statements was incorrect.

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

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

DAC directed to provide relevant record for verification at the earliest.

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

### **3.1.3 Authorization of payment on account of Fixed Assets without ensuring mandatory record – Rs 35.042 million**

According to Section 13.4.4.1 of Accounting Policies and Procedures 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).

District Accounts Office Rahim Yar Khan authorized payments of Rs 35.042 million on account of purchase of fixed assets during 2019-20 without maintaining memorandum account and form 13B. Quarterly report was also not sent to Accountant General Punjab for reconciliation with PAO. Further, there was no record available about transfer of fixed assets to District Education Authority from District Government. Moreover, expenditure of Rs 35.042 million was booked in the head of A09 “purchase of assets” but it was not reflected in the balance sheet. Furthermore, assets of education department were more than the amount mentioned above in shape of school buildings, furniture & fixture, machinery and equipment etc.

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

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

The DAO replied that DDO wise system generated fixed assets report for the financial year 2019-2020 in respect of DEA Rahim Yar Khan is available, but the same was not produced to Audit.

DAC directed to provide relevant record for verification at the earliest.

Audit recommended that the statement of fixed assets should be prepared on regular basis and value of fixed assets should be reported in the financial statements.



## CHAPTER 3.2

### DEA Rahim Yar Khan

#### 3.2.1 Introduction

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 (DEA) was responsible to PAC of the Provincial Assembly and he was also responsible to ensure that business of DEA Group of Offices is carried out in accordance with the laws and to coordinate the activities for coherent planning, development, effective and efficient functioning of the District Administration. DEA Rahim Yar Khan manages following Educational Facilities and institutes:

Sr. No.	Description	No. of Education Facility/Institute
1	Primary School	2112
2	Middle Schools	358
3	High Schools	232
4	Higher Secondary Schools	24
5	Dy. DEO (EE-M)	04
6	Dy. DEO (EE-W)	04
7	DEO (Elementary Education)	02
8	DEO (Secondary Education)	01
9	CEO (District Education Authority)	01

DEA Rahim Yar Khan managed following educational facilities and institutes:

(Rupees in million)					
Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	256	05	2,025.137	-
2	Assignments Accounts	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

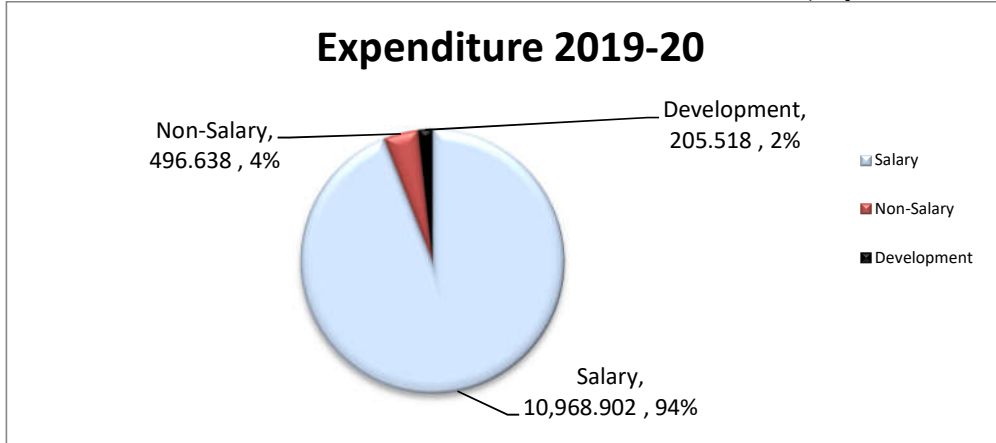
### 3.2.2 Comments on Budget and Accounts (Variance Analysis)

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

(Rupees in million)

Sr. No.	Description	Detail	Budget	Actual	Excess (+) / Lapse (-)	% (Lapse)
1	Non-Develop	Salary	14,743.515	10,968.902	-3,774.613	-25.602%
		Non-Salary	1,115.882	496.638	-619.243	-55.494%
		<b>Total</b>	<b>15,859.397</b>	<b>11,465.541</b>	<b>-4,393.856</b>	<b>-27.705%</b>
2	Development	-	327.051	205.518	-121.533	-37.160%
<b>Grand Total</b>			<b>16,186.448</b>	<b>11,671.059</b>	<b>-4,515.389</b>	<b>-27.896%</b>

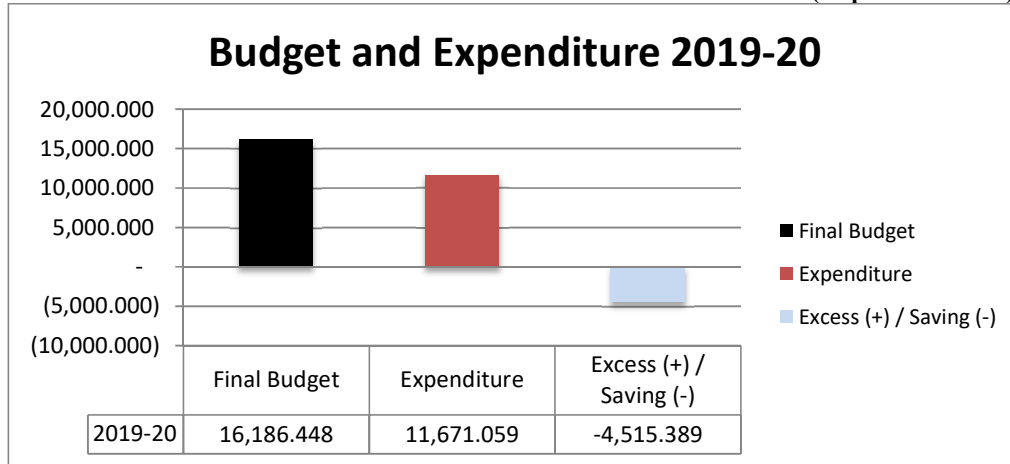
(Rupees in million)



As per Appropriation Accounts, budget and expenditure for Development & Non-Development of the District Education Authority, Rahim Yar Khan was Rs 16,186.448 million and Rs 11,671.059 million respectively. A lapse of Rs 4,515.389 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**).

The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

(Rupees in million)



### 3.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 717.282 million were raised as a result of this audit. This amount also includes recoverable amount of Rs 107.440 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	57.966
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Procedural Irregularities	
A	HR/Employees related irregularities	0
B	Procurement related irregularities	612.644
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	-
5	Others	46.672

### **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.

#### **Status of Previous Audit Reports**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	05	PAC not constituted
2	2018-19	27	PAC not constituted
3	2019-20	17	PAC not constituted

## AUDIT PARAS

### 3.3 Non-Production of Record

#### 3.3.1 Non production / maintenance of record – Rs 57.966 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 maintaining of initial and subsidiary accounts.

Two (02) DDOs under jurisdiction of CEO (DEA) RYK did not produce record of expenditure of Rs 57.966 million under different objects / codes of classification during 2018-20. Detail is given below:

(Rupees in million)			
Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) SDQ	Miscellaneous Record	-
2	Dy. DEO (EE-M) LQP	Vouched Accounts	0.766
		Miscellaneous Record	57.200
<b>Total</b>			<b>57.966</b>

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

Non production of record created doubts regarding legitimacy of expenditure incurred for Rs 57.966 million.

The matter was reported to CEO and DDOs concerned in September, 2020. Dy. DEO (EE-W) SDQ replied that all record was provided during audit. Dy. DEO (EE-M) LQP replied that instructions have been issued to the concerned for provision of required record. Replies were not tenable as neither record was produced during audit nor at the time of record verification.

DAC in its meeting held on 28.11.2020 directed to get the relevant record verified from audit within 15 days. No further progress was intimated till finalization of this Report.

Audit recommends production of required record for verification at the earliest and taking necessary action against the person(s) at fault.

[AIR Paras: 21, 23 & 29]

### **3.4 Procedural Irregularities**

#### **3.4.1 Unlawful conduct of business of District Education Authority**

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended on 30.06.2018), 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 two years.

Deputy Commissioner, Rahim Yar Khan continued to hold the office as Administrator and exercised the powers of the authority beyond lawful tenure of two years which was expired on 31.12.2018. Therefore, conducting business of the Education Authority, Rahim Yar Khan including approval of Annual Budget of Rs 14,196.606 million and subsequent expenditure of Rs 11,671.000 million was held un-authorized. Further, exercising power of the House / Authority beyond prescribed period was against the above quoted rule.

Due to non-observance of prevailing rules, budget of DEA was approved by un-authorized person i.e. Deputy Commissioner, Rahim Yar Khan.

Unauthorized approval of budget resulted in irregular sanctioning of budget as well as irregular expenditure of Rs 11,671.000 million.

Due to non-observance of prevailing rules, budget of DEA was approved by un-authorized person i.e. Deputy Commissioner, Bahawalpur.

The matter was reported to CEO concerned in September, 2020. DDO replied that approval of budget was made as per policy of Govt. of Punjab. Reply was not tenable as budget was approved by an authority without having legal status in rules.

DAC in its meeting held on 28.11.2020 directed to get the expenditure regularized from the competent authority within a month. 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: 13]

### **3.4.2 Irregular utilization of funds provided for the Improvised class rooms and during ban – Rs 399.063 million**

According to Sr. No. 02 of letter No. PESRP-NSB 2020-21/20136 dated 17.08.2020 funds already released for the Improvised class rooms were supposed to be reserved as decided to stop schools from utilization those funds until finalization of policy.

Three (03) DDOs of District Education Authority, Rahim Yar Khan utilized funds of Rs 399.063 million received for construction of the Improvised class room in violation of instructions issued by the PMIU. Utilization of funds was made for construction works, purchases and repair of school buildings despite ban on utilization by the Government of the Punjab. Similarly, some school heads incurred expenditure on white washing and construction of walls out of funds received for the Improvised class rooms irregularly. Detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description of Expenditure</b>	<b>Amount</b>
1	CEO (DEA) RYK	Expenditure was incurred on white washing and construction of walls	81.812
		Expenditure was incurred during ban period	231.923
2	Dy. DEO (EE-M) RYK	Expenditure was incurred during ban period	10.275
3	Dy. DEO (EE-W) LQP	Expenditure was incurred during ban period	65.179
		Expenditure was incurred on white washing and construction of walls	9.874
<b>Total</b>			<b>399.063</b>

Due to weak financial management, funds were utilized in ban period and without observing the policy guidelines.

Utilization of funds without observing policy guidelines resulted in irregular expenditure of Rs 399.063 million.



The matter was reported to CEO and DDOs concerned in September, 2020. CEO (DEA) RYK and Dy. DEO (EE-M) RYK admitted the irregularity. Dy. DEO (EE-W) LQP replied that expenditure on works was utilized after fulfilling all codal formalities. Further, all the concerned heads of schools and school councils were directed to justify the audit Para. Replies were not tenable as funds were expended despite ban on utilization.

DAC in its meeting held on 28.11.2020 directed to inquire the matter at appropriate level and submit report within 15 days; otherwise, expenditure be got regularized from the competent authority within a month. No further progress was intimated till finalization of this Report.

Audit recommends inquiry of the matter to probe the facts in detail besides taking actions against the person(s) at fault.

[AIR Para No. 19, 20, 06, 04 & 25]

### **3.4.3 Irregular expenditure due to violation of school council's policy – Rs 90.363 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, upto financial limit of Rs 400,000 during a financial year and detail of items mentioned in school council's policy.

Two (02) DDOs of District Education Authority, Rahim Yar Khan incurred expenditure of Rs 90.363 million by violating the school council's policy. Works were got executed without preparation and approval of design, detailed estimates and requisite NOC from the relevant authorities. Further, expenditure was incurred beyond permissible limits. The detail is given below:

<b>(Rupees in million)</b>			
<b>Sr. No.</b>	<b>DDOs</b>	<b>Period</b>	<b>Amount</b>
1	Dy. DEO (EE-M) RYK	2018-20	6.960
		2018-20	6.330
2	Dy. DEO (EE-W) LQP	2018-20	12.305
		2018-20	64.768
<b>Total</b>			<b>90.363</b>

Due to weak financial controls, expenditure was incurred in violation of school council's policy.

Expenditure in violation of school council policy resulted in irregular expenditure of Rs 90.363 million.

The matter was reported to CEO and DDOs concerned in September, 2020. Dy. DEO (EE-W) LQP replied that concerned school councils were directed to justify their position. Other DDOs replied that expenditure was incurred as per need assessment and school council's policy. Further, expenditure was incurred from NSB; so, there was no need of detailed designs and estimates. Replies were not tenable as expenditure was incurred without observing School Council Policy.

DAC in its meeting held on 28.11.2020 directed to get the relevant record verified from audit within a week; otherwise, expenditure be got regularized from the competent authority within a month. No 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, 22, 12 & 15]

#### **3.4.4 Non-deduction / deposit of taxes and non-verification of CPRs – Rs 56.701 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.

Four (04) DDOs of District Education Authority, RYK did not deduct relevant taxes on prescribed rates from the bills of suppliers. Purchases were made from different suppliers without obtaining Computerized Payment Receipts (CPRs) of Rs 56.701 million during the period 2017-20. The DDOs withheld tax @ 20% of GST but intimation to concerned collectorate was not forwarded for verification

regarding deposit of remaining 80% of GST by the suppliers. The detail is given below:

(Rupees in million)				
Sr. No.	DDOs	Period	Remarks	Amount
1	Dy. DEO (EE-W) SDQ	2018-20	Non Availability / Verification of CPRs	0.289
2	Dy. DEO (EE-M) RYK		Payment by Schools instead of Suppliers	2.590
			Non Availability / Verification of CPRs	3.997
3	Dy. DEO (EE-M) LQP		Taxes not Deducted	8.699
			Taxes not Deducted	1.008
4	Dy. DEO (EE-W) LQP		Non Availability / Verification of CPRs	9.664
			Taxes not Deducted	0.129
			Payment by Schools instead of Suppliers	6.347
			Payment by Schools instead of Suppliers	23.978
<b>Total</b>				<b>56.701</b>

Due to weak internal controls, neither taxes were deducted nor CPRs were obtained from the concerned.

Non-verification of taxes by the concerned resulted in doubtful deduction of taxes of Rs 56.701 million.

The matter was reported to CEO and DDOs concerned in September 2020. Dy. DEO (EE-W) SDQ replied that relevant record will be produced during record verification. Dy. DEO (EE-M) RYK replied that taxes were paid from NSB as per guidelines and all relevant record is available for verification. Dy. DEO (EE-M) LQP and Dy. DEO (EE-W) LQP replied that instructions were issued to concerned for recovery or justification. Replies of the DDOs were not tenable as no relevant record i.e. CPRs was produced.

DAC in its meeting held on 28.11.2020 directed to provide relevant record for verification within a week; otherwise, recover the due amount from the concerned within a month. No further progress was intimated till finalization of this Report.

Audit recommends justification of non-deduction / deposit of taxes by the concerned besides provision of verified CPRs from FBR.

[AIR Para No.08, 14, 15, 16, 17, 14, 15, 21 &22]

### 3.4.5 Irregular expenditure without observing PPRA rules – Rs 27.828 million

According to Rules 9 and 12 of the Punjab Procurement Rules 2009 and the Punjab Procurement Rules 2014, procuring agency shall announce proposed procurement plan for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements. 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.

CEO (DEA) RYK and three (03) DDOs incurred expenditure of Rs 27.828 million during 2017-20 on purchase of stationery, furniture and building material without observing PPRA rules. Annual procurement was neither determined nor advertised on PPRA's website to obtain competitive rates. Moreover, procurements were made without calling tenders / advertisement on PPRA's website and purchases were made by splitting the indents. Detail is given below:

(Rupees in million)

Sr. No.	DDOs	Amount
1	CEO (DEA) RYK	0.502
2	Dy. DEO (EE-W) SDK	0.199
		0.532
3	Dy. DEO (EE-M) RYK	14.485
4	Dy. DEO (EE-W) LQP	12.110
<b>Total</b>		<b>27.828</b>

Due to weak internal controls and poor planning, procurements were made without observing PPRA rules.

Procurement without observing PPRA rules resulted in irregular expenditure of Rs 27.828 million.

The matter was reported to CEO and DDOs concerned in September, 2020. All the DDOs replied that expenditure was made after fulfilling all codal formalities. Replies were not tenable as annual demand was not consolidated and purchases were made by splitting the indents.

DAC in its meeting held on 28.11.2020 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. 22,14, 20, 20 & 14]

### 3.4.6 Execution of contracts without legal agreement – Rs 21.399 million

According to clause No.8 of supply orders dated 30.03.2020 firms were directed to submit the acceptance of supply order on judicial stamp papers within 07 days after issuance of this order, in case of no response, the order shall stand cancelled and CDRs will be forfeited. Furthermore, according to Rules 63 (b) of the Punjab Procurement Rules 2014, where the procuring agency requires signing of a written contract, from the date on which the signatures of both the procuring agency and the successful bidder are affixed to the written contract and such affixing of signatures shall take place within a reasonable time.

Chief Executive Officer (DEA) Rahim Yar Khan awarded contracts of purchase of IT Labs, furniture and other items amounting to Rs 21.399 million to various firms on 30.03.2020. Scrutiny of record showed that contracts were awarded without legal agreement in violation of agreement clauses. Non-execution of agreement on judicial stamp papers caused irregular execution of contract and violation of clause of supply order. Detail of supply orders is given below:

(Rupees in million)

Sr. No.	Description	Date of Supply Order	Amount
1	3 Seater bench desk	22.11.19	9.389
2	Dell Vostro 3671+other items for IT labs	30.03.20	3.825
3	Computer dell Vostro 3671+other items for IT labs	30.03.20	7.840
4	Provision of IT Labs	30.03.20	0.153
5	Provision of IT Labs	30.03.20	0.192
6	Punjab Action for Reading Habits, Access & Oversight (PARHAO)	30.03.20	0
7	Infra-Structure for Early Childhood Education (IECE)	30.03.20	0
<b>Total</b>			<b>21.399</b>

Due to weak internal controls, contracts were executed without any agreements on stamp papers.

Execution of contracts without agreement on stamp papers resulted in irregular expenditure as well as violation of terms of contract award letter.

The matter was reported to CEO in September, 2020 who replied the contracts were awarded to lowest evaluated bidders as per PPRA rules. Reply was not tenable as agreement was not taken on stamp papers as mentioned in the supply order.

DAC in its meeting held on 28.11.2020 directed to get the expenditure regularized from the competent authority within fortnight. No further progress was intimated till finalization of this Report.

Audit recommends regularization of the matter besides recovery of amount of stamp duty and taking action against the concerned within a month.

[AIR Para No. 11]

### **3.4.7 Purchase of IT equipment without observing the specifications – Rs 11.690 million**

According to supply order (vide No.2865-70 dated 30.03.20) issued by CEO (DEA) Rahim Yar Khan, firm was bound to provide supply as per specifications. Further 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 Chief Executive Officer (DEA) Rahim Yar Khan purchased IT equipment of Rs 11.690 million during 2019-20 without ensuring specifications of purchased IT equipment. Further, contract was awarded to the vendor, who did not participate in tender process rather his name was subsequently included in the minutes of meeting. Furthermore, expenditure was misclassified by the DDO by charging the same to the object code A09601 instead of A09203. The detail is given on the next page:

(Rupees in million)

Sr. No.	Description	Firm's name	Supply order date	Specifications in tenders/s order	Actual specification received	Invoice date	Total amount
1	Computer dell Vostro 3671+other items for IT labs	Paradise Technologies	30.03.20	Acer Veriton E2730G brand core i5 8400 upto 4.0 Ghz. 8 <sup>th</sup> generation Intel	Dell Vostro 3671 brand i5 9400 upto 4.1 Ghz. 9 <sup>th</sup> generation Intel	30.04.20	7.840
2	Dell Vostro 3671+other items for IT labs	Hi Tech Automation Services	30.03.20	Intel 8 <sup>th</sup> generation	Intel 9 <sup>th</sup> generation	09.05.20	3.850
<b>Total</b>							<b>11.690</b>

Due to weak internal and financial controls, supplies were accepted in violation of approved specifications.

Procurements without approved specifications resulted in violation of terms of tender and supply order.

The matter was reported to CEO concerned in September 2020. DDO replied that purchases were made of higher specification under the head assets through transparent tendering process. Reply was not tenable as no record was produced in support of reply.

DAC in its meeting held on 28.11.2020 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 besides fixing responsibility on the persons at fault.

[AIR Para No. 1,2, 3 & 5]

### **3.4.8 Irregular purchases from blacklisted firms – Rs 5.600 million**

According to Government of the Punjab, Finance Department letter No. FD SO (Tax) 1-11/97 dated 19.09.1998, all purchases are required to be made from the firms registered with Sales Tax Department and payment of GST be made on submission of sales tax Invoices showing the sales tax registration number.

Head teachers of schools, under the control of Dy. DEO (EE-M) Rahim Yar Khan procured goods and services costing Rs 5.600 million from the supplier who had been blacklisted since 05.01.2008. Furthermore, PST amounting to Rs 779,571 was also paid to him.

Due to negligence of the department and weak monitoring controls, purchases were made from blacklisted firms.

Purchases from blacklisted firm resulted in irregular expenditure as well as loss to government due to non-payment of taxes.

The matter was reported to CEO and DDO concerned in September, 2020. DDO admitted irregularity.

DAC in its meeting held on 28.11.2020 directed to get the expenditure regularized from the competent authority besides recovery of taxes from the concerned within a month. No further progress was intimated till finalization of this Report.

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

[AIR Para No. 18]



### 3.5 Others

#### 3.5.1 Unjustified expenditure on account of Inspection Allowance – Rs 19.481 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 of District Education Authority, RYK incurred expenditure of Rs 19.481 million on account of Inspection Allowance during 2019-20. The payment was made without ensuring compliance of Key Performance Indicators (KPIs) issued by the School Education Department. Detail is given below:

(Rupees in million)				
Sr. No.	DDOs	No. of Employees	Period	Amount
1	Dy. DEO (EE-W) SDK	21	2019-20	1.925
2	Dy. DEO (EE-M) RYK	52	2018-20	9.852
		30	2018-20	1.975
3	Dy. DEO (EE-M) LQP	29	2018-20	0.444
4	Dy. DEO (EE-W) LQP	21	2018-20	5.285
<b>Total</b>				<b>19.481</b>

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 19.481 million.

The matter was reported to CEO and DDOs concerned in September, 2020. Dy. DEO (EE-M) LQP replied that instructions had been issued to concern for recovery. Dy. DEO (EE-W) LQP replied that directions were issued to justify the audit observation. Other DDOs replied that payment of inspection allowance was made as per government’s instructions. Replies were not tenable as department did not produce 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 28.11.2020 directed to provide relevant record for verification within a week besides seeking clarification from the Finance Department regarding payment of inspection allowance during vacation and period of Covid-19 without fulfillment of KPIs. 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. 17, 03, 04, 09 & 18]

### 3.5.2 Overpayment of conveyance allowance – Rs 13.813 million

According to Rule 1.15 of the Punjab Travelling Allowance Rules, conveyance allowance was not admissible during any kind of leave except casual leave.

Four (04) DDOs of District Education Authority, RYK did not deduct conveyance allowance amounting to Rs 13.813 million from the teaching / non-teaching staff during vacations, lock down and leave period. Detail is given below:

**(Rupees in million)**

Sr. No.	DDOs	Period	Remarks	Amount
1	Dy. DEO (EE-W) SDK	2018-20	Lock Down Period	1.431
		2018-20	Leave Period	0.026
2	Dy. DEO (EE-M) RYK	2018-20	Vacation Period	6.866
3	Dy. DEO (EE-M) LQP	2017-20	Leave Period	0.063
		2017-20	Lock Down and Vacation Period	2.512
4	Dy. DEO (EE-W) LQP	2018-20	Leave Period	2.453
		2018-20	Lock Down Period	0.462
<b>Total</b>				<b>13.813</b>

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

Payment of conveyance allowance during leave and vacation periods resulted in over payment of Rs 13.813 million to government.

The matter was reported to CEO and DDOs concerned in September, 2020. Dy. DEO (EE-W) SDK and Dy. DEO (EE-M) LQP replied that directions were issued for recovery. Dy. DEO (EE-M) RYK and Dy. DEO (EE-W) LQP replied that amount has already been recovered by the DAO RYK. Replies of the DDOs were not tenable as no record was produced for verification.

DAC in its meeting held on 28.11.2020 directed to get the relevant record verified within a week or recover due amount from the concerned. No further progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 13.813 million from the concerned besides fixing responsibility against the person(s) at fault.

[AIR Para No. 22, 23, 09, 05, 08, 17 & 23]

### **3.5.3 Unauthorized payment of SSB after regularization – Rs 13.378 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.

Four (04) DDOs of District Education Authority, RYK made excess payment to employees of Rs 13.378 million of Social Security Benefit after regularization of services. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Employees</b>	<b>Period</b>	<b>Amount</b>
1	Dy. DEO (EE-W) SDK	150	2018-20	8.022
2	Dy. DEO (EE-M) RYK	153	2018-20	3.062
3	Dy. DEO (EE-M) LQP	28	2018-20	1.326
4	Dy. DEO (EE-W) LQP	92	2018-20	0.968
<b>Total</b>				<b>13.378</b>

Due to weak financial controls, SSB was paid to various employees after regularization of services.

Payment of SSB after regularization resulted in loss of Rs 13.378 million.

The matter was reported to CEO and DDOs concerned in September, 2020. All the DDOs replied that directions were issued and recovery in process. Replies were not tenable as no recovery was effected and shown during record verification.

DAC in its meeting held on 28.11.2020 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 due amount from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No. 01, 07, 04 & 05]

#### 4. District Education Authority (DEA) Dera Ghazi Khan

##### CHAPTER 4.1

##### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, DG Khan on annual basis.

##### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

Particulars	Budget	Actual	Laps	Lapse (Per Cent)
Salary	6,870.923	6,787.889	83.034	1
Non Salary	299.938	95.048	204.890	68
Development	362.430	311.797	50.633	14
<b>Total</b>	<b>7,533.291</b>	<b>7,194.734</b>	<b>338.557</b>	<b>4</b>

(Source: Appropriation Accounts 2019-20)

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 338.557 million was lapsed due to inefficient management.

##### Analysis of Appropriation Accounts and Financial Statement (Certification Audit 2020-21)

During Certification Audit of DEA DG Khan for the Audit Year 2020-21, it was noticed that the cash closing balances with State Bank of Pakistan and Financial Statements remained un-reconciled till close of the financial year. Inspection Allowance was paid to the Assistant Education Officers without any proof of achievement of inspection targets. House rent was paid to the employees at special rates whereas they were posted at the stations where normal rate was allowed. Huge

amounts were 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 DG Khan for the financial year 2019-20 properly present, in all material respects, the financial position of the District Education Authority, DG Khan as at 30th June 2019.

The following issues surfaced during Certification Audit of District Education Authority D.G Khan

- Overpayment of inspection allowance Rs 16.190 million during vacations
- Recovery of Rs 0.655 million due to payment of House Rent Allowance @ 45%
- Overpayment of 30% SSB to Teachers Rs 1,303.980 million

## **ii. Analysis of Targets and Achievements**

Sectoral analysis of DEA DG Khan was made on the basis of various quality indicators of Education department for the financial year 2019-20. 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. Detail of targets and achievements is given on next page:

## Status regarding Indicators and their achievements for the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator		Comparison of Targets and their Achievements		Remarks
			Targets	Achievements	
Core Indicators	1	Students attendance (K-12)	88	93.10	Achieved
	2	Teacher Presence	90	96.42	Achieved
	3	Head Teacher Presence	90	94.28	Achieved
	4	Availability of boundary wall	98	98.24	Achieved
	5	Availability of drinking Water	95	96.32	Achieved
	6	Availability of Furniture	70	47.64	Not Achieved
	7	Classrooms observations	80	89.66	Achieved
Infrastructure Indicators	8	Safe Building	98	92.53	Not Achieved
	9	NSB Time Lines	90	-	Not Achieved
	10	NSB Utilization	90	56.16	Not Achieved
	11	Data Health	90	92.16	Achieved
	12	Sufficiency of Toilets	51.7	42.76	Not Achieved
Retention Indicators	13	Retention (K-12)	97	94.18	Not Achieved
Monitoring & Management Indicators	14	School Hygiene	80	84.47	Achieved
	15	Partial Facility	1	1.32	Achieved
Hotline Complaints Resolution Indicator	16	On Time resolution	90	94.27	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 2020-21.

- Record of expenditure amounting to Rs 190.957 million was not produced in one case.

- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 189.389 million was observed in 21 cases.
- Value for Money and Service Delivery Issues of Rs 421.459 million was found in two cases.
- Pension related issues of Rs 1.577 million was found in one case.

**iv. Service Delivery Issues**

From the Data analysis of DEA DG Khan following service delivery issues were observed:

- Availability of furniture was targeted 70%, while it could be achieved only 47.64%, 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 92.53%.
- NSB Utilization was targeted to be 90%, while it could be achieved only 56.16%.
- Sufficiency of Toilets was targeted to be 51.70%, while it could be achieved only 42.76%.

**v. Expectation Analysis and Remedial Measures**

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.

## **AUDIT PARAS**

### **4.1.1 Overpayment of inspection allowance during vacations – Rs 16.190 million**

As per condition (iii) of the notification No.SO9S-III)-2-16/2007, dated 24.09.2007 issued by the Government of the Punjab Education Department (Schools wing) Lahore, 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. Further, according to instructions contained in clarification issued by AG 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).

During the course of financial attest audit of District Education Authority DG Khan for the year 2019-20, it was noticed that DAO allowed and paid inspection allowance amounting to Rs 16.190 million on the basis of verification of achievement of 17 No. of KPIs. The said KPIs could not be achieved during vacations / closure of schools. So the certificate issued by the department could not be considered as reasonable and it was just a certificate for withdrawal of Rs 25,000 in each month by each AEO.

- The arrears of pay and allowances was not entered in the GAD register as all the employees were Gazzated and required on his relevant page.
- The inspection allowance was paid during closure of schools due to summer winter and Covid-19.
- Undue payments from the Government funds
- Weak control on the part of concerned department

We recommend that the explanation may be sought from the DDOs for not watching the payment of undue allowance and action should be taken accordingly.

#### **4.1.2 Overpayment of SSB to teachers – Rs 1.304 million**

According to clause 9 of Punjab District Authorities Accounts Rules 2017, 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.

During course of financial attest of audit of District Account Office DG Khan of District Education Authority for the year 2019-20, it was observed that an amount of Rs 1.304 million was paid against 30% SSB to following teachers as the service of teachers was regularized on 2009 & 2015. So, payment of inadmissible allowance to the following officials was unjustified which resulted overpayments.

- Undue payments from the Government funds
- Weak control on the part of concerned department

We recommend that the explanation may be sought from the DDOs for not watching the payment of undue allowance and action should be taken accordingly.

## CHAPTER 4.2

### DEA Dera Ghazi 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

Following table shows the detail of total and audited formations of DEA, DG Khan.

(Rupees in million)

Sr. No.	Description	Total No.	Audited	Expenditure Audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	177	05	3,518.403	7.104
2	Assignment Accounts (Excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

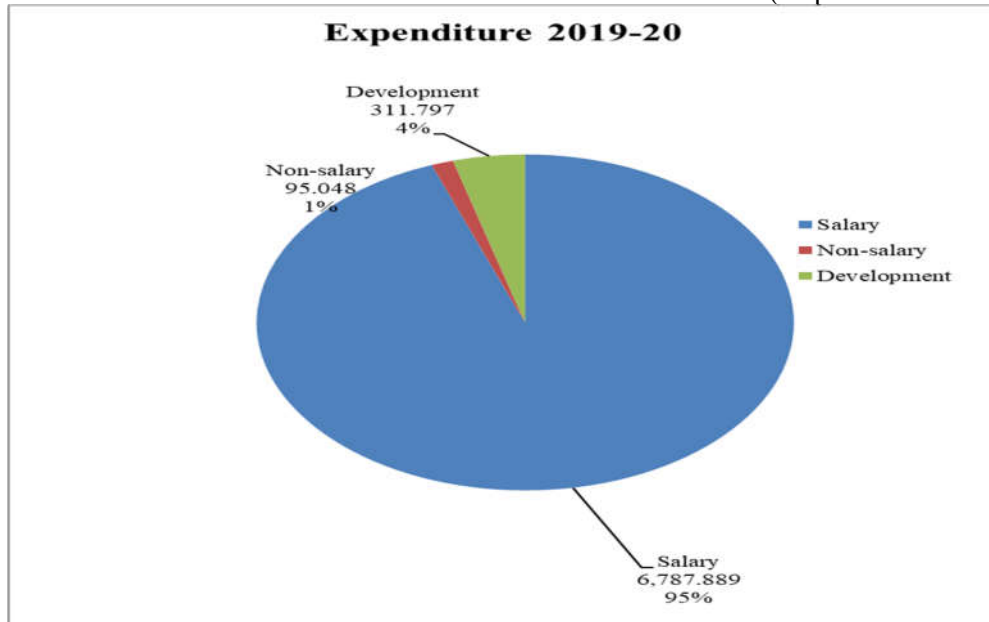
#### 4.2.2 Comments on Budget and Accounts

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

(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	6,870.923	6,787.889	-83.034	1
Non Salary	299.938	95.048	-204.890	68
Development	362.430	311.797	-50.633	14
<b>Total</b>	<b>7,533.291</b>	<b>7,194.734</b>	<b>-338.557</b>	<b>4</b>
<b>Receipt</b>	<b>7.104</b>	<b>7.104</b>	-	

(Rupees in million)

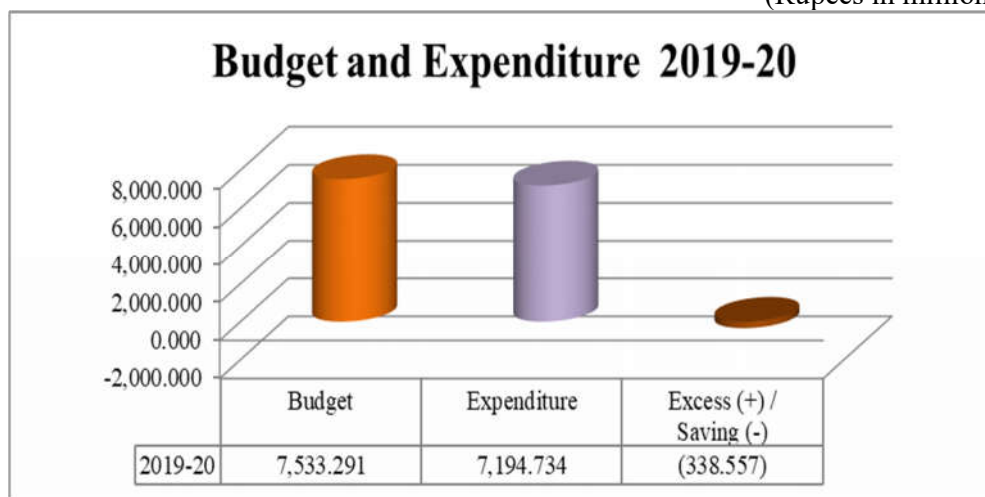


As per the Appropriation Accounts 2019-20 of the District Education Authority, Dera Ghazi Khan, total original budget (Development and Non-Development) was Rs 7533.291 million. Against the budget, total expenditure of Rs 7,194.734 million was incurred by the District Education Authority during 2019-

20. Lapse of funds amounting to Rs 338.557 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)**

The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

(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 204.890 million (68 per cent).

#### **4.2.3 Classified Summary of Audit Observations**

Audit observations amounting to Rs 801.805 million were raised as a result of this audit. This amount also includes recoverables of Rs 72.628 million as pointed out by the audit. Summary of the audit observations classified by nature is given on the next page:

(Rupees in million)

<b>Sr. No.</b>	<b>Classification</b>	<b>Amount</b>
1	Non-production of record	190.957
2	Reported cases of fraud, embezzlement and misappropriation	0
3	Procedural Irregularities	0
A	HR / Employees related irregularities	61.581
B	Pension related issues	1.577
C	Procurement related irregularities	126.231
D	Management of Accounts with Commercial Banks	0
4	Value for Money and Service Delivery Issues	421.459
5	Others	0
<b>Total</b>		<b>801.805</b>

#### **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**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	07	PAC not constituted
2	2018-19	25	PAC not constituted
3	2019-20	30	PAC not constituted

## AUDIT PARAS

### 4.3 Non-Production of Record

#### 4.3.1 Non-production of record - Rs 190.957 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 keeping of initial and subsidiary accounts.

The following DDOs incurred expenditure of Rs 190.957 million during 2019-20 but record of development schemes, NSB and employee related expenditures were not produced for audit verification. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Nature of Record	Amount
1	CEO (DEA)	Development Work	156.156
2	Dy. DEO (EE-M) Taunsa	NSB Record	13.946
3	Dy. DEO (EE-M) DG Khan	Inspection Allowance	9.475
4	Dy. DEO (EE-W) Taunsa		7.930
			3.450
<b>Total</b>			<b>190.957</b>

Due to weak financial management, the record was not produced for audit verification.

Non-production of record resulted in non-verification of expenditure of Rs 190.957 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs 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 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:3,15,20,23,16]

## 4.4 Procedural Irregularities

### 4.4.1 Irregular procurement of stores – Rs 81.003 million

According to Sr.No.12 Bidding Document provided to the bidder by CEO Education D G Khan, Annual Sales Turnover/Gross Revenue of the bidder will be annually Rs 50 million, ten years' experience for supply/installation and manufacturing is also required. Further according to Rule 10(1) of the Punjab Procurement Rules 2014, 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. Moreover, Rule 16(3) of ibid states that a procuring agency shall take into consideration the following factors: (a) Qualifications (b) Relevant experience and past performance (c) Capabilities with respect to personnel, equipment, and plant (d) Financial position (e) Appropriate managerial capability and (f) Any other factor that a procuring agency may deem relevant, not being inconsistent with these rules.

CEO (DEA) DG Khan procured IT Equipment, Library Books, Library Chairs, Computer Tables, and Computers Chairs etc. having worth of Rs 81.003 million. The detail is as under:

(Rupees in million)

<b>Document No.</b>	<b>Date</b>	<b>Description</b>	<b>Supplier</b>	<b>Amount</b>
1901549324	25.06.2020	IT Equipment	ACME	9.060
1901564210	25.06.2020	IT Equipment	ACME	8.320
1901564212	25.06.2020	IT Equipment	ACME	8.320
1901564214	25.06.2020	IT Equipment	ACME	8.320
1901564211	25.06.2020	IT Equipment	ACME	8.320
1901549323	25.06.2020	IT Equipment	ACME	6.240
1901584071	25.06.2020	L Books	Al Habib	3.083
1901584072	25.06.2020	Furniture	Habib	1.314
1901584070	25.06.2020	Furniture	Sarfaraz	0.539
1901584069	25.06.2020	IT Equipment	Atique	7.150
1901564209	25.06.2020	IT Equipment	ACME	8.305
1901549325	25.06.2020	IT Equipment	Atique	3.712
1901564213	25.06.2020	IT Equipment	ACME	8.320
<b>Total</b>				<b>81.003</b>

However, the procurement was held irregular due to the following reasons:

1. CEO restricted the competition by setting the self-formulated criteria without any rationale.
2. Record related to imports of items by the vendors could not be produced due to which the authenticity of the import of equipment could not be verified.
3. The payment was made without obtaining the installation and execution reports from the users.

Due to weak financial control, assets were procured without observing government instruction.

Non observance of government instruction resulted in unauthorized expenditure of Rs 81.003 million.

The matter was reported to the CEO in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiring into the matter besides getting the equipment installed and having proper working report for bio medical equipment as well as physical verification of furniture from the technical persons.

[AIR Para:2]

#### **4.4.2 Unauthorized payment of Conveyance Allowance – Rs 23.253 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.

Various DDOs authorized conveyance allowance of Rs 23.253 million to the employees 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-M) Taunsa	Summer vacation	0.014
		LFP	0.028
		Winter vacation	7.671
2	Dy. DEO (EE-W) Taunsa	Covid-19 vacation	1.756
		Summer vacation	0.031
		LFP	0.097
		Winter vacation	2.739
3	Dy. DEO (EE-M) D. G Khan	LFP	0.136
		Summer vacation	0.041
		Winter vacation	3.181
		Covid -19	2.437
4	Dy. DEO (EE-W) D. G Khan	Summer vacation	0.028
		Winter vacation	2.419
		Covid -19	1.952
		LFP	0.723
<b>Total</b>			<b>23.253</b>

Due to weak financial management, inadmissible conveyance allowance was paid.

Payment of inadmissible conveyance allowance resulted in loss of Rs 23.253 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs 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 recovery of Rs 23.253 million.

[AIRParas:5,11,13,3,6,11,13,1,4,5,6,6,8,9,18]

#### **4.4.3 Non-deduction of income tax and sales tax - Rs 16.227 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 1/5<sup>th</sup> (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.

Various DDOs made payments against supply of goods, rendering of services and execution of contracts during 2019-20. However, an amount of Rs 16.227 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)		12.761		12.761
2	Dy. DEO (EE-M) Taunsa		0.324	0.255	0.579
3	Dy. DEO (EE-W) Taunsa		0.310	0.137	0.447
4	Dy. DEO (EE-M) DG Khan	1.023	0.894		1.917
5	Dy. DEO (EE-W) DG Khan		0.252	0.271	0.523
<b>Total</b>		<b>1.023</b>	<b>14.541</b>	<b>0.523</b>	<b>16.227</b>

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 16.227 million to the suppliers/service providers/contractors.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 16.227 million besides fixing responsibility on the person(s) at fault.

[AIR Paras: 22,22,25,20,24,28,29,25,26]

#### 4.4.4 Irregular payments in cash - Rs 7.779 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.

Deputy District Education officer (EE-M) DG Khan, made payments of Rs 7.779 million during 2019-20 to various suppliers on account of contingent expenditure in cash instead of crossed cheques. The detail is given below:

(Rupees in million)

EMIS Code	Name of School	Markaz	Cash Drawl
32110417	GPS Khanan Wala	Sader	0.134
32110412	GPS Norang Wala	Sader	0.225
32110444	GPS Gull Wala	Sader	0.553
32110163	GPS kishny Wala	Memori	0.225
32110161	GPS Bundani	Memi	0.510
32110164	GPS Jamoaini	Memori	0.208
32111091	GPS New Model	Memori	0.306
32111089	GPS Haji Rakh Wala	Nemori	0.246
32110228	GPS topi Wala	Haji Ghazi	0.350
32110981	GPS Kaheri Wala	Haji Ghazi	0.359
32110238	GPS Naseer Wala	Haji Ghazi	0.514
32110972	GPS feteH Shah Wala	Haji Ghazi	0.237
32110972	GPS Khan Wala	Haji Ghazi	0.548
32110250	GPS Kareem Abad	Sadar North	0.633
32110252	GPS Saudi Wala	Sader North	0.445
32110243	GPS Bait Malana No.1	Sader North	0.380
32110241	GPS Dari Mero	Sader North	0.527
32110230	GES Gagu	Samina	0.533
32110277	GPS New Hussan Wala	Shadan Lund	0.846
<b>Total</b>			<b>7.779</b>

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 7.779 million.

The matter was reported to the CEO and DDO concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends that the matter may be regularized from Competent Authority besides fixing responsibility on the person(s) at fault.

[AIR Para:18]

#### **4.4.5 Unauthentic expenditure on purchase of furniture – Rs 7.001 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. Further 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.

Various school heads under the administrative control of the Deputy District Education Officer (EE-M) D.G Khan incurred an expenditure of Rs 7.001 million during 2019-20 on account of purchase of furniture. The specifications of furniture were not mentioned on the quotations as well as on the bills due to which the authenticity of expenditure could not be ascertained. **(Annexure-C/DGK)**

Due to weak financial management, expenditure was incurred without observing codal formalities.

Non observance of codal formalities resulted in unauthentic expenditure of Rs 7.001 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

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:30]

#### 4.4.6 Recovery of unauthorized payment of SSB – Rs 6.369 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 21.10.2016 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.

Various DDOs allowed an amount of Rs 6.369 million on account of social security benefit to 538 officers/officials after their services were regularized in violation of the above rule. The detail is given below:

(Rupees in million)			
Sr. No.	DDOs	No. of Employees	Amount
1	Dy DEO (EE-M) Taunsa	331	3.987
2	Dy. DEO (EE-W) Taunsa	85	0.748
3	Dy. DEO (EE-M) DG Khan	39	0.589
4	Dy. DEO (EE-W) DG Khan	83	1.045
<b>Total</b>		<b>538</b>	<b>6.369</b>

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 6.369 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 6.369 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:2,2,13,1]



#### **4.4.7 Appointment of teachers without professional qualification – Rs 6.337 million**

According to condition 4 of letter of agreement for appointment of teacher issued by the DEO MEE D G Khan that, selected candidates who don't possess professional qualification will have to acquire the requisite qualification within three years from Government college of Education, otherwise their contract will be terminated.

During the audit of three DDOs of DEA, DG Khan it was observed that nine teachers were appointed without professional qualification during 2015 and after lapse of five years they could not ensure their professional qualification. Further the contract of said teachers was also not terminated. Non-acquiring of prescribed qualification in violation of rules resulted in irregular expenditure of Rs 6.337 million. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Employees</b>	<b>Amount</b>
1	Dy. DEO (EE-M) Taunsa	3	2.473
2	Dy. DEO (EE-M) DG Khan	3	2.255
3	Dy. DEO (EE-W) DG Khan	3	1.609
<b>Total</b>		<b>9</b>	<b>6.337</b>

Due to weak internal control, salaries were paid to employees without obtaining professional qualification.

The payment of salaries without professional qualification resulted in irregular payment of Rs 6.337 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends matter may be regularized from competent authority.

[AIR Paras: 9, 22, 4]

#### 4.4.8 Overpayment due to non-fixation of basic pay and allowances – Rs 4.954 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, their pay and allowances were not re-fixed to the initial of relevant pay scales after regularization of services which resulted in overpayment of Rs 4.954 million during 2019-20. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Object detail	Number of Employees	Amount
1	Dy. DEO (EE-M) Taunsa	Basic Pay	317	2.160
		Adhoc Allowances	317	0.645
2	Dy. DEO (EE-W) Taunsa	Basic Pay	85	0.475
		Adhoc Allowances	85	0.145
3	Dy. DEO (EE-M) DG Khan	Adhoc Allowances	30	0.068
		Basic Pay	30	0.228
4	Dy. DEO (EE-W) DG Khan	Adhoc allowances	78	0.285
		Basic Pay	78	0.948
<b>Total</b>				<b>4.954</b>

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 4.954 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 4.954 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:1,4,1,5,12,14,2,3]

#### 4.4.9 Irregular payment of inspection allowance – Rs 4.646 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.

Various DDOs paid an amount of Rs 4.646 million during 2019-20 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 in unauthorized payment 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) Taunsa	2019-20	3	0.712
2	Dy. DEO (EE-W) Taunsa		5	0.325
3	Dy. DEO (EE-M) DG Khan		25	2.197
4	Dy. DEO (EE-W) DG Khan		13	1.300
5			3	0.112
<b>Total</b>			<b>49</b>	<b>4.646</b>

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 4.646 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the overpaid amount of Rs 4.646 million besides fixing responsibility.

[AIR Paras:3,4,24,5,20]

#### **4.4.10 Unauthorized payment of inadmissible allowances – Rs 4.331 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 4.331 million during 2019-20. **(Annexure-D/DGK)**

Due to weak financial management, inadmissible allowances were paid to the employees.

Grant of inadmissible allowances resulted in loss of Rs 4.331 million to the Government.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 4.331 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:8,12,14,16,18,19,8,12,15,18,3,7,8,17,19,26,13,14,19,23,24]

#### 4.4.11 Un-authorized release of funds – Rs 3.758 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.

Two DDOs of (DEA) D G Khan transferred funds amounting Rs 3.758 million to PEF and shelter less schools (working in private building) on the recommendation of Dy. DEOs irregularly. These schools were not eligible for SMC grant because these schools have no Government building. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	No. of School	Amount
1	CEO (DEA)	28	2.322
2	Dy DEO (EE-M) Taunsa	12	1.436
<b>Total</b>			<b>3.758</b>

Due to weak internal control, SMC grant were transferred to building less school.

Transfer of SMC fund to building less school resulted in unauthorized expenditure of Rs 3.758 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends that allocated funds of SMC grant may be recovered from concerned schools and deposited in to Govt. Treasury.

[AIR Paras:12,26]

#### **4.4.12 Unauthorized payment of salary during EOL – Rs 3.611 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 3.611 million on account of salaries to employees when they were on EOL during 2019-20. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Period</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Taunsa	2019-20	0.237
2	Dy. DEO (EE-M) DG Khan		0.847
3	Dy. DEO (EE-W) DG Khan		2.527
<b>Total</b>			<b>3.611</b>

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 3.611 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 3.611 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:14,2,15]

#### **4.4.13 Un-authorized purchase of I.T equipment from un-registered supplier – Rs 2.750 million**

According to Rule 9 of Punjab District Authorities (Accounts) Rules 2017, in case any loss accrues to the District Authority through negligence of person or

employee, he shall be personally responsible on his part and shall be liable to make good the loss. Further as per 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 made procurement of UPS and scanners costing Rs 2.750 million from vendor registered for manufacturing of furniture as per FBR record. Due to non-registration of firm in relevant field, the procurement was held irregular. The detail is given below:

(Rupees in million)

Document No.	Date	Item	Supplier	Qty.	Rate	Amount
1901549325	25.06.2020	Printers 35PPM	Atique	11	60000	0.660
		UPS 3 KVA	Atique	11	165000	1.815
		Scanner	Atique	11	25000	0.275
<b>Total</b>						<b>2.750</b>

Due to weak internal controls, furniture was procured from the vendor not registered in relevant field.

Procurement from irrelevant person resulted in irregular expenditure of Rs 2.750 million.

The matter was reported to the CEO in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to probe the matter for fixing responsibility on person(s) at fault besides regularization of expenditure.

[AIR Para:8]

#### **4.4.14 Doubtful expenditure out of NSB - Rs 2.704 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.

Twenty six schools under the administrative controls of the following DDOs withdrew an amount of Rs 2.704 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 Schools	Amount
1	Dy. DEO (EE-M) Taunsa	2019-20	Furniture and GS item	2	0.881
2	Dy. DEO (EE-W) Taunsa		Repair & maintenance, GS item	2	0.984
3	Dy. DEO (EE-M) DG Khan		White wash	1	0.441
<b>Total</b>				<b>21</b>	<b>0.398</b>
<b>Total</b>				<b>26</b>	<b>2.704</b>

Due to weak financial management, amounts were drawn without documentary evidence of expenditure.

Withdrawal of amount without proof of actual purchases resulted in unauthentic expenditure of Rs 2.704 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends detailed inquiry, physical verification of purchases besides fixing responsibility on the person(s) at fault.

[AIR Paras:23,22,9,31]

#### **4.4.15 Doubtful expenditure on civil work without specification – Rs 2.626 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) DG Khan incurred an expenditure of Rs 2.626 million on account of development work during 2019-20. The said expenditure on civil work was incurred without detailed measurement, design and estimates, verification of expenditure and advertisement on PPRA website without which the authenticity of the expenditure could not be verified.

Due to weak financial management, expenditure was incurred without observing codal formalities.

Non-observance of codal formalities resulted in unauthorized expenditure of Rs 2.626 million.

The matter was reported to the CEO and DDO concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

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

[AIR Para:27]

#### **4.4.16 Overpayment on account of qualification allowance – Rs 2.362 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.

Deputy District Education Officer (EE-M) DG Khan paid Rs 2.362 to the teachers against the qualification allowance @ 5000 whereas the qualification allowance for MA/MSc. and BA/BSc. was allowed @ 600 & 400 respectively. **(Annexure-E/DGK)**

Due to weak financial control, qualification allowance was paid at higher rate.

Payment of qualification allowance at higher rate resulted in overpayment of Rs 2.362 million.

The matter was reported to the CEO and DDO concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to inquire the matter and stock entries should be got maintained.

[AIR Para:16]

#### 4.4.17 Overpayment on account of salaries - Rs 2.122 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 2.122 million on account of overpayment from salaries of employees working under their controls during 2019-20. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description of Receipts	Amount
1	Dy. DEO (EE-M) Taunsa	Salaries after transfer	0.554
		Drawal of full pay during leave with half pay	0.244
		Fine/penalty imposed during absent	0.111
2	Dy. DEO (EE-W) Taunsa	Salaries after transfer	0.402
		Pay and allowance after death	0.189
		Fine/penalty imposed during absent	0.135
3	Dy. DEO (EE-W) DG Khan	Non refund of one month notice	0.035
		Resign from duty	0.125
		Fine/penalty imposed during absent	0.215
		Salaries during absent period	0.054
		Salaries after retirement	0.058
<b>Total</b>			<b>2.122</b>

Due to weak financial management, the overpayment was not recovered from the employees.

Non-recovery of overpayment resulted in loss to of Rs 2.122 million to the Government.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 2.122 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:6,7,10,7,9,10,10,11,17,21,22]

#### **4.4.18 Un-authorized advance recovery of conveyance allowance and salaries – Rs 1.910 million**

According to Rule 9 C) Punjab District Authorities Accounts Rules 2017, A collector of tax, fee, rate charge, surcharge of a District authority shall be personally responsible for any overcharge, fraud, misappropriation or delay for crediting the amounts so collected to the account of the authority and shall be liable to make good that loss arising from his culpable negligence.

Deputy District Education Officer (EE-W) Taunsa deposited an amount of Rs 1.910 million through challan during 2019-20. Scrutiny of the record revealed that regular teachers were forced to deposit in advance conveyance allowance and contract teachers' full salary in advance for the period they intended to apply the leave. Forcing teacher for deposit in advance such amount which was still not due to them, was irregular and created hardship for the employees. The Deputy District Education Officer avoided regular procedure of deduction of conveyance allowance or stoppage of pay through DAO. **(Annexure-F/DGK)**

Due to weak internal control, collection of conveyance allowance and salaries in advance from employees intended to proceed on leave.

Collection of conveyance allowance and salaries in advance resulted in unauthorized recovery of Rs 1.910 million

The matter was reported to the CEO and DDO concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends that the matter may be regularized from the Competent Authority.

[AIR Para:21]

#### **4.4.19 Non recovery of Pay and Allowance from employees appointed on Bogus Testimonials – Rs 1.686 million**

According to terms & conditions N0.13(i) of agreement/offer of appointment If at any stage, your Degree, Certificate, Diploma, CNIC of Domicile is found bogus, not only your contract shall be terminated to be void ab-initio FIR will also be lodged against your relevant laws by the appointing authority. Further, you shall be Liable to refund all amounts received from Government. Further 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.

Deputy District Education Officer (MEE) DG Khan issued termination letter No.5730-34 dated 16.07.2019 to Mrs. Samina Yasmin ESE (Science/Math) GPS Zaur Wala. Scrutiny of record revealed that the said teacher provided B.Ed. result card which was not verified by the AIOU resultantly declared as bogus. Neither the pay was recovered nor was any FIR lodged against the culprits. The detail is as below:

(Rupees in million)

Personnel No.	Name	Date of Appointment	Posting	Design.	Date of Termination	Order No.	Total (06.9.12 to 06.19)
31582069	Samina Yasmin	06.09.2012	GPS Zaur Wala	ESE	16.07.2019	5730-34	1.686

Due to weak financial control, the pay from teacher appointed on bogus certificate was not recovered.

Non recovery of pay from employee resulted in loss of Rs 1.685 million.

The matter was reported to the CEO and DDO concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends that the salary paid may be recovered besides lodging of FIR against culprits.

[AIR Para:11]

#### **4.4.20 Doubtful expenditure on Madarsa – Rs 1.226 million**

According to Rule 9 of Punjab District Authorities (Accounts) Rules 2017, in case any loss accrues to the District Authority through negligence of person or employee, he shall be personally responsible on his part and shall be liable to make good the loss. Further as per 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) DG Khan paid an amount of Rs 1.226 million to administrator Madrasa Usman Bin Afan Model Town D G Khan out of SDA. The expenditure was found doubtful on the following grounds;

- 1 The amounts were paid for purchase of mess items for resident students of Madarsa, electricity bills and salaries of Khateeb and Mooazin.
- 2 The detail of resident students was not shown to audit.
- 3 The salary of Khateeb and Mooazin was paid @ 30,000 each per month without any fixation of Finance Department Government of the Punjab.
- 4 The Khateeb and Mooazin was appointed without any qualification and criteria issued by the Govt.
- 5 The stock entry of items relating to mess was not shown to audit.

- 6 The balance quantity of mess item was not shown to audit.
- 7 The enrolment register of students was not shown to audit.
- 8 The rate of items for mess was charged at their own choice.

The detail is given in the following table:

(Rupees in million)

Ch. No.	Date	Paid To	Description	Amount	
764330	19.9.19	Administrator	Salary of Khadim and Khatib Elec Bill	0.318	
764331	2.11.19			0.135	
764332	14.12.19			0.064	
764333	13.1.20			0.063	
764334	7.2.20			0.069	
764335	6.3.20			0.060	
764336	-			0.060	
764337	-			Mess Items	0.258
764338	2.5.20			Salary of Khadim and Khatib Elec Bill	0.060
764339	1.5.20				0.060
764340	23.6.20			0.079	
<b>Total</b>				<b>1.226</b>	

Due to weak financial control, expenditure was incurred without observing codal requirements.

Non observance of codal requirement resulted in doubtful expenditure of Rs 1.226 million.

The matter was reported to the CEO in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to regularize the matter from Competent Authority.

[AIR Para:7]

#### **4.4.21 Overpayment on account of purchase of UPS - Rs 1.157 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.

CEO (DEA) D G Khan, paid an amount of Rs 6.415 million to supplier on account of purchase of UPS 5 KVA and 3 KVA. Scrutiny of the record revealed that as per comparative statement duly signed by purchase committee the rate was approved against above mentioned item was Rs 0.184 million and Rs 0.093 million per UPS while the suppliers charged the rate against said items were Rs 0.200 million and Rs 0.165 per UPS which resulted overpayment of Rs 1.157 million. The detail is as below:

(Rupees in million)

Doc. No.	Date	Item	Supplier	Rate Approved	Rate Charged	Diff.	Qty.	Amount
1901549324	24.6.20	UPS 5KVA	ACME	184000	200000	16000	12	0.192
1901564209	do	do	do	184000	200000	16000	11	0.176
1901549325	24.06.2020	UPS 3KVA	Atique	93,250	165000	71750	11	0.789
<b>Total</b>								<b>1.157</b>

Due to weak internal control, excess amount on account of procurement of UPS were paid to supplier.

Payment of excess amount on account of purchase of UPS resulted in overpayment of Rs 1.157 million.

The matter was reported to the CEO in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends that excess amount be recovered from concerned and deposited into Government treasury.

[AIR Para:1]

## 4.5 Value for Money and Service Delivery Issues

### 4.5.1 Blockade of public money – Rs 359.029 million

According to Rule 4 (h) of the District Authorities Budget Rules 2017. Chief Executive Officer is responsible to monitor receipt and expenditure of the District Authority, offices and institutions to be carried out in accordance with the approved budget and rules. Further as per Rule 4(j) assess the estimated receipts of the authority in timely manner as communicated by the Provincial Finance Commission and the own source revenue of the authority.

CEO (DEA) DG Khan received an amount of Rs 359.029 million from Government of the Punjab, Finance Department for purchase of furniture under Khadim Punjab School Programme Phase-I during 2017-18 and construction of the Improvised class rooms in 75 High Schools during 2016. However, the funds were not utilized till June, 2020 and kept in Account-V of District Education Authority. The detail is given below:

(Rupees in million)

Description	Funds received from FD	Balance
Purchase of furniture under Khadim Punjab School Programme Phase-1 2017-18	139.564	139.564
Construction of the Improvised class rooms in 75 High Schools during 2016	219.465	219.465
<b>Total</b>	<b>359.029</b>	<b>359.029</b>

Due to poor planning and weak financial controls, funds were not utilized for purchase of furniture.

Non-utilization of funds resulted in blockage of public money of Rs 359.029 million.

The matter was reported to the PAO in August, 2020. DDOs did not submit the reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides utilization of funds without further delay.

[AIR Paras: 9, 17]



#### 4.5.2 Non/less utilization and release of tied grants – Rs 62.430 million

According to Rule 4 (h) of the District Authorities Budget Rules 2017, Chief Executive Officer is responsible to monitor receipt and expenditure of the District Authority, offices and institutions to be carried out in accordance with the approved budget and rules. Further as per Rule 4(j) assess the estimated receipts of the authority in timely manner as communicated by the Provincial Finance Commission and the own source revenue of the authority.

CEO (DEA) D.G Khan received Tied Grant amounting to Rs 165.068 million from Government of the Punjab Finance Department during 2019-20, for various schemes but only Rs 102.638 million was released and the balance amount of Rs 62.430 million was not released to relevant DDOs. The detail is as under:

(Rupees in million)			
Description	Amount Received From FD	Amount Released	Balance
36-DEAs Block Schemes reflected in ADP 2019-20	80.638	49.465	31.173
27-On going schemes	7.500	0.000	7.500
Establishment of Govt. Degree College of Special Education DG Khan	42.724	20.763	21.961
Punjab Non Formal Education Project (PNFEP)	34.206	32.410	1.796
<b>Total</b>	<b>165.068</b>	<b>102.638</b>	<b>62.430</b>

Due to weak internal control, tied grant was remained unutilized.

Non utilization of tied grant resulted in depreciation of general public from facilities.

The matter was reported to the CEO in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing of responsibility on the persons involved besides reconciliation of the accounts.

[AIR Para:10]

## 4.6 Issues related to Pension Payments

### 4.6.1 Irregular payment of pension without no marriage certificates – Rs 1.577 million

According to clause (i) & (iii) of Government of the Punjab, Finance Department letter No.FD.SR-III/4-303/2012 dated 01.04.2014, the Pensioner drawing pension through DCS shall produce a life certificate to the Accountant General, Punjab/DAO as the case may be, bi-annually in the prescribed Forms-C and C-I respectively in person or through his banker. Furthermore, clause (ii) of ibid states that in case the life certificate / no marriage certificate is / are not received in the office of the Accountant General, Punjab / DAO on the expiry of six months, he shall stop the pension and send a letter at pensioner's address informing about the stoppage of his pension due to non-receipt of his life certificate/no marriage certificate, under intimation to the Manager, of the concerned Bank maintaining the account of the pensioner.

CEO, DEA D.G Khan, allowed and paid pension amounting to Rs 1.577 million during 2019-20 to the 09 pensioners and widows/widowers of deceased employees without production of no marriage certificate after bi-annually period. The details are as under:

(Rupees in million)		
Sr. No.	Name of Pensioner	Amount
1	Ghulam Zuhra Widow of Allah Bakhsh Retired PTC	0.175
2	Jindan Mai Widow of Ghulam Rasool Retired PTC	0.157
3	Hajira Mai Widow of Muhammad Yousaf Retired PTC	0.268
4	Saeeda Rehmat Widow of Rehmat Ali Retired PTC	0.190
5	Manzoor Ahmad Bhatti Widower of Shamshad Begum	0.147
6	Zuhra widow of Abdul Qadir Bhatti Retired PTC	0.198
7	Ghulam Sughra widow of Abdul Aziz Retired PTC	0.162
8	Hameeda Begum widown of Muhammad Yaqoob	0.108
9	Farrukh Kalsoom Sister of Moqaddas Fatima	0.172
<b>Total</b>		<b>1.577</b>

Due to weak financial management, pension was allowed without obtaining no marriage certificates.

Pension payment without required record resulted in irregular payment of Rs 1.577 million.

The matter was reported to the CEO in December, 2020. DDO 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 the expenditure.

[AIR Para: 6]

## 5. District Education Authority (DEA) Layyah

### CHAPTER 5.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Layyah on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

Particulars	Budget	Actual	Laps	Lapse (Per Cent)
Salary	6,710.144	6,351.654	358.490	5
Non Salary	596.224	194.099	402.125	67
Development	42.666	8.906	33.760	79
<b>Total</b>	<b>7,349.034</b>	<b>6,554.659</b>	<b>794.375</b>	<b>11</b>

(Source: Appropriation Accounts 2019-20)

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 794.375 million was lapsed due to inefficient management.

##### 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 for the Financial Year 2019-20**

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Core Indicator	Students attendance (Kachi-12)	90	92.23	Achieved
	Teacher Presence	90	97.15	Achieved
	Head Teacher Presence	90	93.84	Achieved
	Availability of boundary wall	98	94.62	Not Achieved
	Availability of drinking Water	95	96.17	Achieved
	Availability of Furniture	70	41.68	Not Achieved
	Classrooms observations	80	72.88	Not Achieved
Infrastructure Indicators	Safe Building	98	99.11	Achieved
	NSB Time Lines	90	81.76	
	NSB Utilization	90	94.42	Achieved
	Sufficiency of Toilets	81	83.69	Achieved
Retention Indicators	Retention (Kachi-12)	97	91.82	Not Achieved
Monitoring and management Indicators	School Hygiene	80	88.65	Achieved
Hot Line Complaints resolution Indicators	On Time resolution	90	93.22	Achieved

Source: Data received from CEO (DEA)

### **iii. Analyses of Appropriation Accounts and Financial Statement (Certification Audit 2020-21)**

During Certification Audit of DEA Layyah for the Audit Year 2020-21, it was noticed that 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 2019-20 properly present, in all material respects, the financial position of the District Education Authority, Layyah as on 30.06.2020.

The following issues surfaced during Certification Audit of District Education Authority Layyah.

- Difference of Closing Balance – Rs 4.520 million
- Unjustified Payment against purchases of uniform – Rs 2.726 million
- Recovery of Conveyance allowance during winter vacations – Rs 23.638 million

**iv. 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 60.025 million was not produced in one case.
- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 147.762 million was observed in 11 cases.
- Value for Money and Service Delivery Issues of Rs 4.645 million was found in one case.

**v. 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 94.62%.
- Availability of furniture was targeted 70%, while it could be achieved only 41.68%, 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 81.76%. 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 91.82%.

**vi. Expectation Analysis and Remedial Measures**

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. 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.

## **AUDIT PARAS**

### **5.1.1 Difference of Closing Balance – Rs 4.520 million**

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 Layyah for the financial year 2019-20 it was noticed that DAO did not reconcile properly and huge difference closing balance of SBP and NBP and in Financial Statement was observed as detailed below.

(Rupees in million)

<b>Local Bank</b>	<b>SBP HO Karachi</b>	<b>Difference (Excess)</b>
175.698	171.178	4.520

### **Implications**

The non-reconciled releases of funds caused the misrepresentation of figures.

It is recommended that releases of funds should be reconciled.

In DAC meeting held on 14.11.2020, DAO replied that Reconciliation of NBP and SBP is in process. As and when reconciliation statement will be received the same may produce to the Audit.

Para stands for reconciliation of figure of cash balance.

### **5.1.2 Unjustified Payment against purchases of uniform – Rs 2.726 million**

According to accounting policies the Recording/Procedure at Accountant General (AG) Office/District Accounts Office (DAO). Further, as soon as the bill is received at AG Office/DAO, a token number is allotted to bill received by



senior/junior auditor at token counter. This bill is delivered to concerned section. In Section, Bill is recorded in Dak register and handed over to concerned Senior Auditor who is dealing the department. Senior Auditor performs following procedures:

- Checks the bill against budget and entered in appropriation register.
- Ensures that expense is made against proper approval of competent authority.
- Examines the supporting documents and matches them with the bill received

During course of Financial Attest Audit of District Education Authority Layyah for the year 2019-20 it was observed that procurement of uniform kits was made valuing Rs 1.377 million but following irregularities were observed which resulted irregular expenditure.

- I. The winter uniform kits for Rs 793,509 was purchased vide bill date 16.03.2020 in summer season was unjustified and the huge quantity for winter season was purchased during summer season was doubtful and just to draw the government money and to utilize the budget as the winter season was to start from October and have a three months after starting a new financial year.
- II. No stock entry on bill/invoice was found and nor certificate of receiving of uniform as per quantity and quality ordered was on record which show that the stock was not received against all payments.
- III. The bills/invoice of supplier against document No.1901570259 Rs 1,349,284 i.e. Nadeem traders was dateless.
- IV. The winter uniform kits for Rs 670,405 No.1901570259 was purchased vide bill dateless in summer season was unjustified and the huge quantity for winter season was purchased during summer season was doubtful and just to draw the government money and to utilized the budget as the winter season was start from October and have a three months after starting a new financial year. No tender notice was published in Urdu language and tender

notice was published in English language on newspapers instead of one in Urdu and other in English.

(Rupees in million)

Document No.	Date	Amount
1901536289	15.04.2020	1.377
1901570259	19.06.2020	1.349
<b>Total</b>		<b>2.726</b>

- Violation of above quoted Rules
- Week financial controls over the funds of Government

We recommend the strict observation and implementation of rules besides appropriate disciplinary action against the officer/officials at fault.

In DAC meeting held on 14.11.2020, DAO replied that the winter uniform was purchased in March 2020 due to non-availability of budget in winter season, on receipt of supply the same was delivered to the students. Stock entry and receiving certificate in quantity and quality is available with claim. The winter uniform was purchased in summer due to non-availability of budget in winter season, on receipt of supply the same was delivered to the students. More over according to PPRA 2014 tender in newspaper is required to publish if the amount of procurement exceeds from 2 million.

DAC directed that DAO will issue warning to Senior Auditors and Assistant Account Officers. DAO will also take up the matter with CEO for getting the matter inquired through administrative head i.e. Director General Special Education and kept pending till outcomes.

### **5.1.3 Recovery of Conveyance allowance during winter vacations – Rs 23.638 million**

According to Rule 1.15 (2) of Punjab Traveling Allowance Rules Compendium 2008 that, 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 course of financial attest audit of District Education Authority Layyah for the year 2019-20, it was observed that DAO allowed Conveyance Allowance during winter vacations from 18.12.2019 to 12.01.2020 to the teachers of Education Department which resulted into overpayment Rs 23.638 million.

- Unauthorized payments from the Government funds
- Weak control on the part of concerned department

We recommend that the explanation may be sought from the DDO for not watching the undue payment and action should be taken accordingly.

In DAC meeting held on 14.11.2020, DAO replied Rs 22,700,773 deducted in the pay roll 01/2020, and remaining amount is admissible to the officers / officials. It is therefore requested that para may be settled.

An amount of Rs 22,700,773 has been recovered through payroll of January 2020 and Para reduced to Rs 937,209 for recovery.

## CHAPTER 5.2

### DEA Layyah

#### 5.2.1 Introduction:

District Education Authority, Layyah was established on 01.01.2017 under 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:

<b>Description</b>	<b>No. of offices / schools</b>
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 table given on next page shows the detail of total and audited formations of DEA Layyah.

(Rupees in million)

Sr. No.	Description	Total No.	Audited	Expenditure audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	178	05	3229.815	-
2	Assignment Accounts (Excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

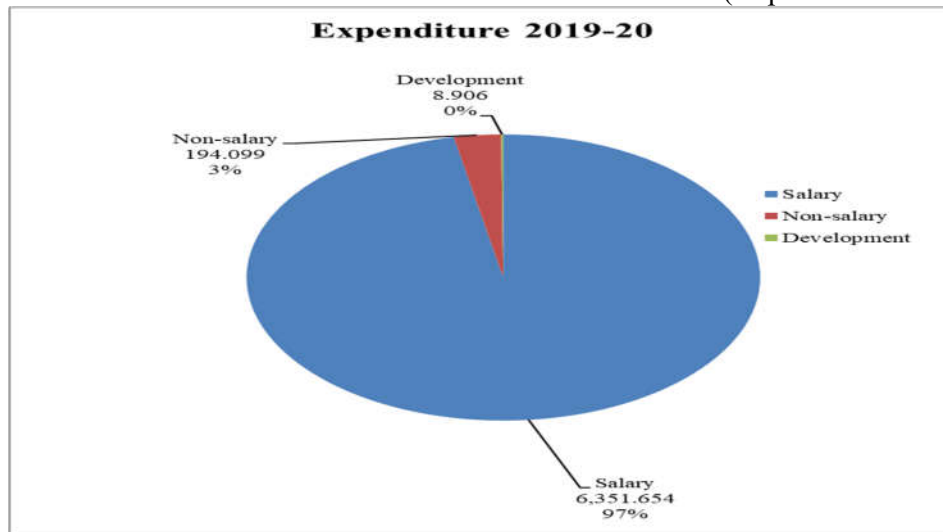
### 5.2.2 Comments on Budget and Accounts

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

(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	6,710.144	6,351.654	-358.490	5
Non Salary	596.224	194.099	-402.125	67
Development	42.666	8.906	- 33.760	79
<b>Total</b>	<b>7,349.034</b>	<b>6,554.659</b>	<b>-794.375</b>	<b>11</b>

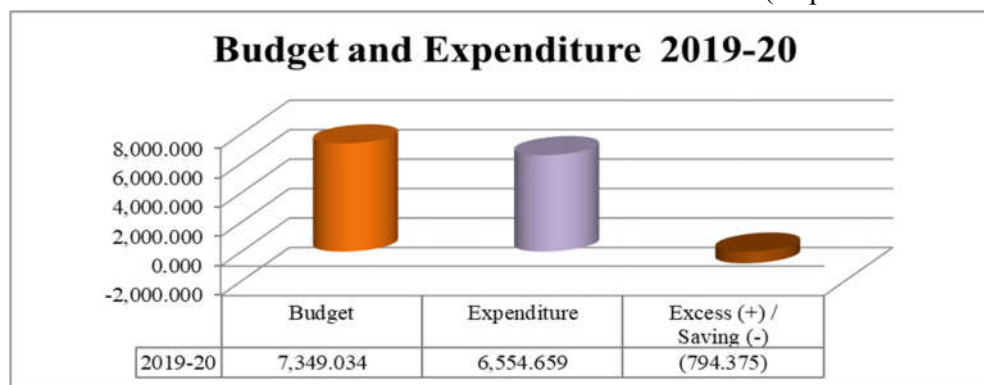
(Rupees in million)



As per the Appropriation Accounts 2019-20 of the District Education Authority, Layyah, total original budget (Development and Non-Development) was Rs 7349.034 million. Against the budget, total expenditure of Rs 6554.59 million was incurred by the District Education Authority during 2019-20. Lapse of funds amounting to Rs 794.375 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)**

The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

(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 development portion which resulted in lapse of Rs 33.760 million (79 per cent).
- (ii) Excessive budget was blocked by allocating heavy amounts in non-salary portion which resulted in lapse of Rs 402.125 million (67 per cent).

### 5.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 212.432 million were raised as a result of this audit. This amount also includes recoverables of Rs 51.406 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	60.025
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Procedural Irregularities	-
A	HR / Employees related irregularities	30.761
B	Procurement related irregularities	117.001
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	4.645
5	Others	-
<b>Total</b>		<b>212.432</b>

### 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
3	2019-20	28	PAC not Constituted

## AUDIT PARAS

### 5.3 Non-Production of Record

#### 5.3.1 Non-production of record – Rs 60.025 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 keeping of initial and subsidiary accounts.

The following DDOs incurred expenditure of Rs 60.025 million during 2019-20, 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	CEO (DEA)	Development work	33.311
2	Dy. DEO (EE-M) Karor	Arrear of pay and allowances	12.924
		School record	2.467
3	Dy. DEO (EE-M) Karor	Arrear of pay and allowances	9.563
		School record	1.760
<b>Total</b>			<b>60.025</b>

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 60.025 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to inquire the matter besides fixing responsibility on the person(s) at fault.

[AIR Paras:15,10,13,22,29]



## 5.4 Procedural Irregularities

### 5.4.1 Irregular payments in cash instead of crossed cheques – Rs 52.073 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 52.073 million during 2019-20 to various contractors and suppliers on account of contingent expenditure and repair & maintenance in cash instead of crossed cheques. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Karor	Supplier / Teacher	1.388
2	Dy. DEO (EE-W) Layyah		18.510
3	Dy. DEO (EE-M) Layyah		32.175
<b>Total</b>			<b>52.073</b>

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 52.073 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to probe the matter besides regularization of the expenditure from the competent authority.

[AIR Paras: 5, 13, 16]

#### 5.4.2 Expenditure without observing procurement rules – Rs 22.177 million

According to Rule 9 of the 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 22.177 million during 2019-20 for purchase of various items without advertisement on PPRA's 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)	Furniture & Fixture	3.935
		IT Lab item	6.111
		Misc. Asset	1.190
		IECE Kits	2.700
		Library Books	1.500
2	Dy. DEO (EE-M) Karor	Furniture & Fixture	3.467
3	Dy. DEO (EE-M) Layyah	Civil work, furniture	3.274
<b>Total</b>			<b>22.177</b>

Due to weak financial management, no advertisement was floated on PPRA's website.

Non-compliance of procurement rules the Government instructions resulted in irregular expenditure of Rs 22.177 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

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

[AIR Paras:21,22,23,24,25,11,13]

### 5.4.3 Non-deduction of taxes – Rs 17.191 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 1/5<sup>th</sup> (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.

Various DDOs made payments against supply of goods, rendering of services and execution of contracts during 2019-20. However, an amount of Rs 17.191 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)	0.191			0.191
2	Dy. DEO (EE-M) Karor	1.216	2.398	0.732	3.833
3	Dy. DEO (EE-W) Karor	1.124	3.126		4.25
4	Dy. DEO (EE-W) Layyah	1.338	0	0.103	1.441
5	Dy. DEO (EE-M) Layyah	0.807	4.159	2.51	7.476
	<b>Total</b>	<b>4.676</b>	<b>9.683</b>	<b>2.613</b>	<b>17.191</b>

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 17.191 million to the suppliers/service providers/contractors.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 17.191 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:5,7,12,17,18,19,14,12,14,17,18,19]

#### 5.4.4 Irregular payment of inspection allowance - Rs 14.664 million

According to Government of the Punjab, School Education Department Office Order No.SO(Budget) 1-15/2013 dated 15.01.2018 and Notification No.SO(SE-III)5-226/2017 dated 18.12.2018, Inspection Allowance of Rs 25,000 per month was sanctioned for Assistant Education Officer (AEOs) working in School Education Department subject to fulfilment of 15 out of 17 verifiable Key Performance Indicators (KPIs)

Audit observed from the scrutiny of SAP FI data for the months from April to June, 2020, that 102 Assistant Education Officers (AEOs), working in DEA, Layyah drew Inspection Allowance amounting to Rs 14.664 million during complete closure of schools due to outbreak of COVID-19. Hence, unauthorized payment of Inspection Allowance was made without inspection and achievement of KPIs because the same could not have been done due to complete closure of schools. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Period	No. of Employees	Amount
1	Dy. DEO (EE-W) Karor	2019-20	14	1.225
2	Dy. DEO (EE-W) Layyah		19	2.247
3	Dy. DEO (EE-M) Layyah		23	7.650
			23	1.725
			23	1.817
<b>Total</b>			<b>102</b>	<b>14.664</b>

Due to weak financial management, inadmissible inspection allowance was paid to AEOs.

Payment of inadmissible inspection allowance resulted in overpayment of Rs 14.664 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 14.664 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:10,1,3,8,22]

#### **5.4.5 Non-reduction of bricks rate – Rs 11.798 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 2<sup>nd</sup> or 3<sup>rd</sup> class bricks are used.

CEO, DEA made payment against brick work for construction of classrooms in 22 schemes during 2019-20. However, neither the amount was reduced by Rs 11.798 million (14%) nor lab test of bricks from prominent laboratories showing the strength of bricks were forthcoming from the record.

Due to weak financial management, payments to the contractor were made without reducing bricks rate.

Non-reduction of bricks rate resulted in excess payment of Rs 11.798 million to the contractors.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

The matter was reported to the CEO in August, 2020. DDO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to probe the matter besides recovery of excess paid amount from the concerned.

[AIR Para:1]

#### **5.4.6 Incurrence of expenditure without pre-audit – Rs 8.906 million**

According to the Government of 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.

CEO, DEA incurred an expenditure of Rs 8.906 million during 2019-20 out of cost center “LY8996 CEO Education Development” against various claims of contractors for construction of schools. Scrutiny of the vouchers revealed that no pre-audit checks were adopted to make the payment. All the certificates like quality and quantity certificate, valid claim certificate were not recorded on vouchers / MBs and other documents relating to payment were not verified by the CEO being the DDO of said cost center.

Insurance of expenditure without pre-audit resulted in unauthorized utilization of funds of Rs 8.906 million.

The matter was reported to the CEO in August, 2020. DDO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

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

[AIR Para No.3]

#### **5.4.7 Overpayment due to non-fixation of pay – Rs 6.213 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.

Various DDOs regularized the services of teachers/employees w.e.f 07.08.2015. However, their pay and allowances were not re-fixed to initial stages after regularization and overpayment amounting to Rs 6.213 million was made during 2019-20. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Object detail	No. of Employees	Amount
1	Dy. DEO (EE-M) Karor	Adhoc relief Allowance	45	0.503
			5	0.348
			5	0.764
2	Dy. DEO (EE-W) Karor	Non fixation of Basic Pay	84	0.736
		AR Allowances	84	0.322
		Qualification Allowance	4	0.082
3	Dy. DEO (EE-W) Layyah	Non fixation of Basic Pay	6	0.142
		AR Allowances	56	2.497
4	Dy. DEO (EE-M) Layyah	AR Allowances	56	0.742
		Adhoc Allowances	71	0.077
<b>Total</b>				<b>6.213</b>

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 6.213 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 6.213 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:5,6,7,1,2,3, 12,9,10,26]

#### 5.4.8 Unauthorized payment of SSB after regularization of services – Rs 5.189 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. Further as per Punjab Regularization of Service Act 2018 read with Punjab Regularization Service (amendment) Ordinance 2019, teachers served three years' continuous service having satisfactory performance (upto 30.09.2019) were regularized.

Various DDOs paid an amount of Rs 5.189 million during 2019-20 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	CEO (DEA)	6	0.705
2	Dy. DEO (EE-M) Karor	9	1.082
		50	0.956
3	Dy. DEO (EE-W) Karor	96	1.589
		4	0.065
4	Dy. DEO (EE-M) Layyah	71	0.792
<b>Total</b>		<b>236</b>	<b>5.189</b>

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 5.189 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.



Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 5.189 million besides discontinuation of said allowance.

[AIR Paras:14,2,4,3,9,25]

#### 5.4.9 Payment of inadmissible allowances – Rs 4.695 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 allowed payment of inadmissible allowances i.e. charge allowance, science teaching allowance, integrated allowance of Rs 4.695 million during 2019-20 to employees. Details are given below:

(Rupees in million)			
Sr. No.	DDOs	Nature of withdrawal	Amount
1	CEO (DEA)	Charge Allowance	0.018
		Increment and personal allowance	0.327
2	Dy. DEO (EE-M) Karor	Inadmissible allowance	0.034
3	Dy. DEO (EE-W) Karor	Charge allowance to AEO	0.031
		Integrated allowance	0.037
		Inadmissible allowance	0.110
4	Dy. DEO (EE-W) Layyah	Increment	0.141
		Charge allowance	0.468
		Charge allowance to AEO	0.021
		Inadmissible allowance	3.310
5	Dy. DEO (EE-M) Layyah	Charge allowance to AEO	0.124
		Integrated allowance	0.016
		Charge allowance	0.058
<b>Total</b>			<b>4.695</b>

Due to weak financial management, inadmissible allowances were paid to the employees.

Payment of inadmissible allowances resulted in excess payment of Rs 4.695 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 4.695 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:11,16,8,6,8,13,25,27,2,3,8,11,23]

#### **5.4.10 Non-recovery of penalty due to non-completion of development schemes – Rs 3.458 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 34.577 million during 2019-20 to the contractors for execution of 22 development schemes. Scrutiny of record revealed that contractors could not complete the works during contract period. Further executing agency did not impose penalty @ 10% amounting to Rs 3.458 million for unnecessary delay in completion period.

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 3.458 million resulted in deprival of envisaged benefits and undue favour to the contractors.

The matter was reported to the CEO in August, 2020. DDO did not submit replies.

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: 9]

#### 5.4.11 Non-realization of receipts – Rs 1.398 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) failed to recover the Government receipts of Rs 1.398 million during 2019-20 on account of inspection fee, registration fee, professional fee and cost of old material etc. The detail is as under:

(Rupees in million)

Sr. No.	DDO	Description	Amount
1	CEO (DEA)	Recovery on account of Old Material	0.519
		Professional Tax	0.066
		Inspection Fee	0.158
		Registration Fee	0.655
<b>Total</b>			<b>1.398</b>

Due to weak financial management, Government receipts were not realized.

Non-realization of receipts resulted in loss of Rs 1.398 million to DEA.

The matter was reported to the CEO in August, 2020. DDO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 1.398 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:8,10,12,13]

## 5.5 Value for Money and Service Delivery Issues

### 5.5.1 Unauthorized retention of public money in DDO account – Rs 4.645 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) Layyah, withdrew an amount of Rs 4.645 million out of the Government treasury during 2019-20. However, the same was not disbursed to the concerned claimants till June, 2020. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Account No.	Amount
1	CEO (DEA)	NBP 6010147667300010	0.327
		BOP 6580147690800010	4.318
<b>Total</b>			<b>4.645</b>

Due to weak financial management, the funds were withdrawn and retained in DDO bank accounts without immediate need and disbursement.

Withdrawal of funds without immediate need resulted in unauthorized retention of public money amounting to Rs 4.645 million.

The matter was reported to the CEO in August, 2020. DDO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to probe the matter for fixing responsibility on the person(s) at fault.

[AIR Para: 26,21]

## 6. District Education Authority (DEA) Muzaffargarh

### CHAPTER 6.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Muzaffargarh on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

Particulars	Budget	Actual	Lapse	Lapse (Per Cent)
Salary	8,166.037	8,130.319	35.718	0.44
Non-Salary	116.321	103.832	12.489	10.74
Development	7.075	5.811	1.264	17.87
<b>Total</b>	<b>8,289.433</b>	<b>8,239.962</b>	<b>49.471</b>	<b>0.60</b>
<b>Receipts</b>	<b>1.767</b>	<b>1.767</b>		

(Source: Appropriation Accounts 2019-20)

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 49.471 million was lapsed due to inefficient management.

#### Analyses of Appropriation Accounts and Financial Statement (Certification Audit 2020-21)

During Certification Audit of DEA Muzaffargarh for the Audit Year 2020-21, it was noticed that overpayment on account of science teaching allowance was made to the teachers posted in Elementary Schools whereas it was admissible to the teachers posted in High / Higher Secondary School teaching science subject. The pay & allowances of the employees was not re-fixed upon regularization of

their services which resulted in overpayment. Huge amounts were paid by the DAO against Re-inforced Cement Concrete used in development schemes without proof of standard from the laboratory.

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.

- Non- Recovery of penalty on late delivery – Rs 1.600 million
- Recovery of Overpayment due to non-adjustment of Adhoc allowances after regularization – Rs 7.184 million
- Recovery of Unauthorized Payment of conveyance allowances – Rs 45.264 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 2019-20. 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. Detail of targets and achievements is given on next page:

**Status regarding Indicators and their achievements for the Financial Year 2019-20**

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Core Indicator	Students attendance (K-2)	90.00	91.50	Achieved
	Teacher Presence	90.00	94.84	Achieved
	Head Teacher Presence	90.00	95.48	Achieved
	Availability of boundary wall	98.00	95.75	Not Achieved
	Availability of drinking Water	95.00	99.75	Achieved
	Availability of Furniture	70.00	85.55	Achieved
	Classrooms observations	80.00	93.55	Achieved
Infrastructure Indicators	Safe Building	98.00	98.20	Achieved
	NSB Time Lines	90.00	-	-
	NSB Utilization	90.00	80.45	Not Achieved
	Data Health	90.00	94.88	Achieved
	Sufficiency of Toilets	75.50	88.46	Achieved
Retention Indicators	Retention (K-2)	97.00	97.42	Achieved
Monitoring and management Indicators	School Hygiene	80.00	87.88	Achieved
	Partial Facility	1.00	1.25	Achieved
Hot Line Complaints resolution Indicators	On Time resolution	90.00	100	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 2020-21.

- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 144.814 million was observed in nine cases.

#### **iv. Service Delivery Issues**

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

- Availability of boundary wall was targeted 98%, while it could be achieved only 95.75%
- NSB Utilization was targeted to be 90%, while it could be achieved only 80.45%.

#### **v. Expectation Analysis and Remedial Measures**

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. 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.
- Establishment of internal control system and proper implementation of the monitoring system should be ensured.
- Budget should be rationalized with respect to utilization.



## AUDIT PARAS

### 6.1.1 Non-recovery of penalty on late delivery – Rs 1.6 million

According to 2.33 of Punjab Financial Rules 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 as per condition no. 08 of supply order, in case of delayed supply / non-supply penalty may be up to 2% per week

During course of Financial Attest Audit of District Account Office Muzaffargarh of District Education Authority for the year 2019-20 it was observed that DAO authorized payment against procurement of stores and assets items valuing Rs 1.6 million without recovery of penalty due to delay in supply of stores. Scrutiny of record revealed that Supply order was issued to Al Falah furniture as on 24.03.18 with delivery period of 6 weeks. But as per bill date, supply was made after 56 weeks. Penalty on delay period was not imposed and undue favor was given to the supplier. Non-recovery of penalty resulted loss to Govt. valuing Rs 1.6 million.

(Rupees in million)

Head	S.O. Date	Bill Date	Delay Weeks	Bill Amount	Penalty
MV 8501	24.03.18	20.06.19	50	1.635	1.635

- Violation of above quoted Rules
- Weak financial controls over the funds of Government

We recommend the strict observation and implementation of rules besides appropriate disciplinary action against the officer/officials at fault.

Letter No. DAO/MZG/HM- 172-173 dated 29.10.2020 issued to the CEO (DEA) for deposit the challan penalty of late delivery.

In the DAC meeting held on dated 14.11.2020 it was decided that, Para stand for compliance.

### **6.1.2 Recovery of Overpayment due to non-adjustment of Adhoc allowances after regularization – Rs 7.184 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 as per Punjab Regularization of Service Act 2018 read with Punjab Regularization Service (amendment Ordinance 2019, teachers served three years' continuous service having satisfactory performance (upto 30.09.2019) were regularized. 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. Further the annual increment is due on the completion of at least six months of such in the scale.

It was observed said teachers were regularized w.e.f October 2019 but their allowances were not re-fixed to initial stage during the financial year 2019-20. It resulted overpayment amounting to Rs 7.184 million.

- Undue payments from the Government funds
- Weak control on the part of concerned department

We recommend that the explanation may be sought from the DDO for not watching the payment of undue allowance and action should be taken accordingly.

Compliance will be shown on next meeting.

In the DAC meeting held on dated 14.11.2020 it was decided that, Para stands for recovery and take up the matter with concerned CEO/ DDO.

### **6.1.3 Recovery of Unauthorized Payment of conveyance allowances – Rs 45.264 million**

According to rule 29 of PLG (Accounts) Rules 2001, every Drawing and Disbursing Officer signing and authorizing the payment for salary and bonus. Contingent account, work bill, grants bill and travelling allowance bill shall be personally responsible for any erroneous payment and claim of bill. 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.

It was revealed from the HR Data that Conveyance Allowance amounting to Rs 45.264 million was paid to named below teachers during summer vacation, Winter vacation and Corona vacation (July 19, Aug 15 days, Dec. 08 days, March 09 Days, April to June 20) which was not due and Govt. sustained loss of Rs 45.264 million.

- Unauthorized payments from the Government funds
- Weak control on the part of concerned department

We recommend that the explanation may be sought from the DDO for not watching the undue payment and action should be taken accordingly.

Recovery started in Payroll M/O Nov-20. Proof will be provided soon. Kindly reduce the para.

In the DAC meeting held on dated 14.11.2020 it was decided that, Para stands for recovery.

## CHAPTER 6.2

### 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 table given on next page shows the detail of total and audited formations of DEA Muzaffargarh.

(Rupees in million)

Sr. No.	Description	Total No.	Audited	Expenditure audited F.Y. 2019-20	Revenue/Receipts audited FY 2019-20
1	Formations	172	05	3679.117	1.767
2	Assignment Accounts (Excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

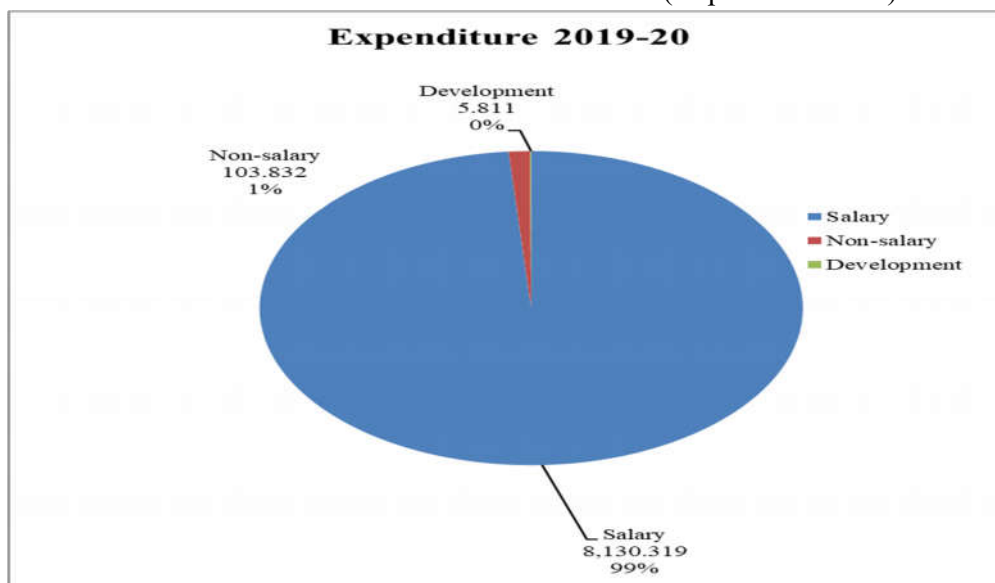
## 6.2.2 Comments on Budget and Accounts

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

(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	8,166.037	8,130.319	35.718	0.44
Non-Salary	116.321	103.832	12.489	10.74
Development	7.075	5.811	1.264	17.87
<b>Total</b>	<b>8,289.433</b>	<b>8,239.962</b>	<b>49.471</b>	<b>0.60</b>
<b>Receipts</b>	<b>1.767</b>	<b>1.767</b>		

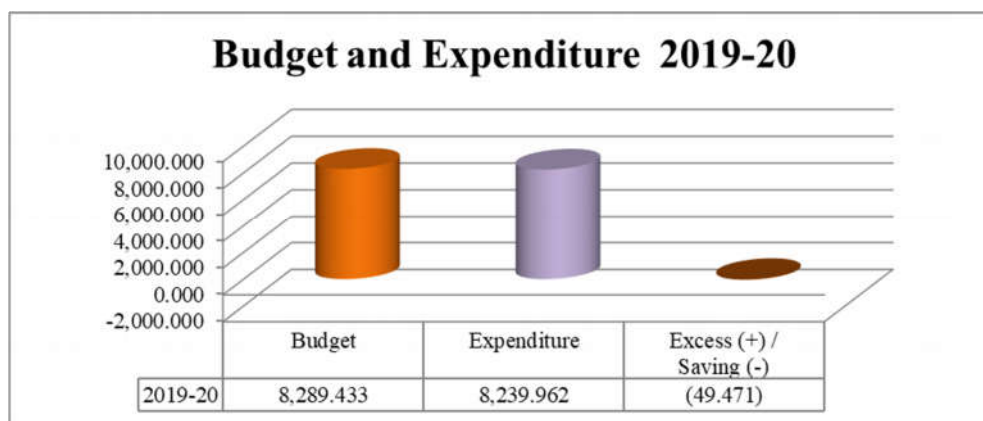
(Rupees in million)



As per the Appropriation Accounts 2019-20 of the District Education Authority, Muzaffargarh, total original budget (Development and Non-Development) was Rs 8,289.433 million. Against the budget, total expenditure of Rs 8,239.962 million was incurred by the District Education Authority during 2019-20. Lapse of funds amounting to Rs 49.471 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)**

The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

(Rupees in million)



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 1.264 million (18 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 144.814 million were raised as a result of this audit. This amount also includes recoverables of Rs 100.434 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	Procedural Irregularities	-
A	HR / Employees related irregularities	96.522
B	Procurement related irregularities	48.292
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	-
5	Others	-
<b>Total</b>		<b>144.814</b>

### 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
3	2019-20	27	PAC not constituted

## AUDIT PARAS

### 6.3 Procedural Irregularities

#### 6.3.1 Irregular payments in cash - Rs 40.921 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 40.921 million during 2019-20 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) Muzaffargarh	Payment to supplier	38.529
2	Dy. DEO (EE-W) Muzaffargarh		0.884
3	Dy. DEO (EE-W) Kot Addu		1.508
<b>Total</b>			<b>40.921</b>

Due to weak financial management, payment to supplier was made in cash.

Cash payments made to contractors / employees resulted in irregular payments of Rs 40.921 million.

The matter was reported to the CEO and DDOs concerned in August, 2020.

In the DAC meeting held on 29.12.2020, DDO replied that all the vouched accounts have been collected from the concerned schools and available for verification. The reply was not tenable as the whole supporting documents were not provided. DAC directed to inquire the matter and report should be submitted within one month.

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

[AIR Paras:13,6,10]



### 6.3.2 Unauthorized payment of conveyance allowance during leave – Rs 35.445 million

According to the Government of the Punjab Finance Department letter No. SR,1.9-4/86(P)(PR) dated 04.12.2012, conveyance allowance is allowed for travelling from house to office and vice versa. Furthermore, as per Rule 1.15 of TA Rule, no conveyance allowance is admissible during the period of leave of any kind or vacation.

Four DDOs of DEA, Muzaffargarh paid an amount of Rs 35.445 million during 2019-20 on account of inadmissible conveyance allowance to employees during winter/summer vacations and during leave. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-M) Muzaffargarh	CA during vacation	7.236
2	Dy. DEO (EE-W) Muzaffargarh	CA during LFP	0.127
		CA during winter vacation	1.094
		CA during summer vacation	0.291
		CA during Covid-19 vacation	7.349
3	Dy. DEO (EE-M) Kot Addu	CA during winter vacation	3.706
		CA during Covid-19 & summer vacation	7.310
4	Dy. DEO (EE-W) Kot Addu	CA during winter vacation	1.185
		CA during Covid-19 vacation	7.147
<b>Total</b>			<b>35.445</b>

Due to weak financial management, inadmissible conveyance allowance was paid to employees.

Withdrawal of inadmissible conveyance allowance resulted in overpayment of Rs 35.445 million.

The matter was reported to the CEO and DDOs concerned in August, 2020.

In the DAC meeting held on 29.12.2020, DDO replied that recovery has been started through payroll in the instalments basis. DAC directed the DDOs for early recovery.

Audit recommends early recovery of Rs 35.445 million from the employees concerned.

[AIR Paras:11,11,12,13,14,7,9,22,23]

### 6.3.3 Unauthorized payment of SSB after regularization of services – Rs 22.556 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. Further as per Punjab Regularization of Service Act 2018 read with Punjab Regularization Service (amendment) Ordinance 2019, teachers served three years continuous service having satisfactory performance (upto 30.09.2019) were regularized.

The following DDOs allowed and paid an amount of Rs 22.556 million during 2019-20 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) M. Garh	27	6.266
2	Dy. DEO (EE-W) M. Garh	180	5.612
		2	0.242
		2	0.082
3	Dy. DEO (EE-M) Kot Addu	77	2.470
		165	5.275
4	Dy. DEO (EE-W) Kot Addu	24	2.467
		4	0.142
<b>Total</b>		<b>481</b>	<b>22.556</b>

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 22.556 million.

The matter was reported to the CEO and DDOs concerned in August, 2020.

In the DAC meeting held on 29.12.2020, DDO replied that recovery has been started through payroll in the instalments basis. DAC directed the DDOs for early recovery.

Audit recommends recovery of Rs 22.556 million besides discontinuation of said allowance.

[AIR Paras:8,3,5,16,10,3,5,6]

#### **6.3.4 Irregular payment of inspection allowance – Rs 19.521 million**

According to Govt. of Punjab School Education Department Lahore vide No.SO(Budget) 1-15/2013 (V-II) dated 15-01-2018, and further clarified by Finance Department letter dated 09.08.2019, Rs 25,000 inspection allowance 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.

Audit observed from the scrutiny of SAP FI data for the months from April to June, 2020, that 118 Assistant Education Officers (AEOs), working in DEA, Muzaffargarh drew Inspection Allowance amounting to Rs 19.521 million during complete closure of schools due to outbreak of COVID-19. Hence, unauthorized payment of Inspection Allowance was made without inspection and achievement of KPIs because the same could not have been done due to complete closure of schools. The details are given on next page:

(Rupees in million)

Sr. No.	DDOs	Period	No. of Employees	Amount
1	Dy. DEO (EE-M) M.Garh	2019-20	27	3.739
2	Dy. DEO (EE-W) M.Garh		27	2.363
3	Dy. DEO (EE-M) Kot Addu		35	10.8
4	Dy. DEO (EE-W) Kot Addu		29	2.619
<b>Total</b>			<b>118</b>	<b>19.521</b>

Due to weak financial management, inadmissible inspection allowance was paid.

Payment of inadmissible inspection allowance resulted in loss to the Government of Rs 19.521 million.

The matter was reported to the CEO and DDOs concerned in August, 2020.

In the DAC meeting held on 29.12.2020, DDOs replied that inspection allowance was paid as per admissibility. The reply was not tenable because KPI indicators were not fulfilled. DAC directed the DDOs to clarify the matter from the Finance Department.

Audit recommends recovery of the overpaid amount of Rs 19.521 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:1,18,1,21]

### **6.3.5 Overpayment due to non-fixation of pay and allowances – Rs 12.567 million**

According to Government of the Punjab, Service and General Administration Department Notification No.DS(O&M) 5-3/2004/contract (MF) dated 10.11.2010, upon regularization of services of employees working on contract basis in various departments, 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.

Audit observed that services of 1,170 employees working under the administrative control of three DDOs of DEA, Muzaffargarh were regularized. However, their pay and allowances were not re-fixed to initial stages which resulted in excess payment of Rs 12.567 million was overpaid during 2019-20. The details are given below:

(Rupees in million)

Sr. No.	DDOs	Description	No. of Employees	Amount
1	Dy. DEO (EE-M) M.Garh	Basic Pay	229	4.153
		Adhoc allowances	229	1.246
2	Dy. DEO (EE-W) M.Garh	Basic Pay	185	3.770
		Adhoc Allowances	185	1.051
3	Dy. DEO (EE-W) Kot Addu	Basic Pay	171	1.670
		Adhoc Allowances	171	0.677
<b>Total</b>			<b>1170</b>	<b>12.567</b>

Due to weak internal controls, 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 12.567 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. In the DAC meeting held on 29.12.2020, DDOs replied that recovery had been started through payroll in instalments.

DAC directed the DDOs for early recovery.

Audit recommends recovery of Rs 12.567 million without further delay.

[AIR Paras:9,10,1,2,1,2]

### **6.3.6 Non deduction of GP Fund from the pay of permanent employees – Rs 5.064 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.

Deputy District Education Officers (EE-W) Muzaffargarh and Kot Addu, did not deduct GP Fund and Group Insurance from salaries of teachers whose services were regularized w.e.f. 10.10.2019. Non-deduction of GP Fund and Group Insurance resulted in overpayment of Rs 5.064 million. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Muzaffargarh	GP Fund and Group Insurance	2.635
2	Dy. DEO (EE-W) Kot Addu		2.429
<b>Total</b>			<b>5.064</b>

Due to weak internal control, GP Fund and Group Insurance was not deducted from pay of permanent employees.

Non-deduction of GP Fund and Group Insurance from pay of employees resulted in overpayment of Rs 5.064 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. In the DAC meeting held in December, 2020, DDOs replied that change statements had been submitted to DAO Muzaffargarh for compliance.

DAC directed for early recovery of GP Fund and Group Insurance from the concerned teachers.

Audit recommends recovery of overpaid amount besides initiation of deduction of GP Fund and Group Insurance from salaries of the employees.

[AIR Paras: 4,4]

### **6.3.7 Non-deduction of Government taxes at source – Rs 3.912 million**

According to Section 153(1) 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.

Four DDOs of DEA, Muzaffargarh made payments of Rs 3.912 million against supply of goods, rendering services and execution of contracts etc. during 2019-20. However, the payments were made either without deduction of Income Tax, General Sales Tax and Punjab Sales Tax on Services or same were deducted at lesser rates. The details are given below:

(Rupees in million)

Sr. No.	DDOs	Income Tax	Sales Tax	Total
1	CEO (DEA)	0	0.268	0.268
2	Dy. DEO (EE-M) Muzaffargarh	3.505	0.033	3.538
3	Dy. DEO (EE-W) Muzaffargarh	0.082	0	0.082
4	Dy. DEO (EE-W) Kot Addu	0	0.024	0.024
<b>Total</b>		<b>3.587</b>	<b>0.325</b>	<b>3.912</b>

Due weak financial management, Government taxes were not / less deducted.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 3.912 million to the suppliers/service providers/contractors concerned.

The matter was reported to the CEO and DDOs concerned in August, 2020.

In the DAC meeting held on 29.12.2020, DDOs replied that taxes had been deposited by the supplier through CPRs in the bank. The reply was not tenable because Tax Year was mentioned as 2020-21 in CPRs. DAC directed to rectify the matter from the Income Tax Department.

Audit recommends recovery of Rs 3.912 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:8,5,14,22,14]

### **6.3.8 Incurrence of expenditure without observing procurement rules – Rs 3.459 million**

According to Rule 9 of the 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.

Two DDOs of DEA, Muzaffargarh incurred expenditure of Rs 3.459 million for purchase of various items without advertisement on PPRA website and by splitting up the cost of procurements. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Muzaffargarh	Furniture & construction of shed	0.898
2	Dy. DEO (EE-M) Kot Addu	Furniture & Civil Work	2.561
<b>Total</b>			<b>3.459</b>

Due to weak financial management, expenditure was incurred without observing procurement rules.

Incurrence of expenditure without observing procurement rules resulted in irregular expenditure of Rs 3.459 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. In the DAC meeting held on 29.12.2020, DDOs replied that head teachers of the schools incurred the expenditure as per NSB availability and requirements of the schools. The reply was not tenable because expenditure was incurred without observing procurement rules.

DAC directed the DDOs to get the expenditure regularized from the competent authority.

Audit recommends to probe the matter besides regularization of expenditure and fixing responsibility on the person(s) at fault.

[AIR Paras:23,6]



### **6.3.9 Unauthorized payment of salary during leave without pay – Rs 1.369 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.

It was observed that Deputy DEO (EE-W), Muzaffargarh paid salaries to employees amounting to Rs 1.369 million who availed extra ordinary leave during 2019-20.

Due to weak financial management, salaries were paid to employees during leave without pay.

Payment of salaries during leave without pay resulted in overpayment of Rs 1.369 million.

The matter was reported to the CEO and DDOs concerned in August, 2020.

In the DAC meeting held on 29.12.2020, DDO replied that recovery had been started through payroll in instalments.

DAC directed the DDOs for early recovery.

Audit recommends early recovery of overpaid amount of Rs 1.369 million from the concerned.

[AIR Para:10]

## 7. District Education Authority (DEA) Rajanpur

### CHAPTER 7.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Rajanpur on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

Particulars	Budget	Actual	Lapse	Lapse (Per Cent)
Salary	4215.410	4034.778	180.632	0.043
Non-Salary	73.869	64.618	3.251	0.125
Development	168.750	163.124	5.626	0.033
<b>Total</b>	<b>4458.029</b>	<b>4262.520</b>	<b>195.509</b>	<b>0.044</b>
<b>Receipts</b>	<b>11.237</b>	<b>11.237</b>		

(Source: Appropriation Accounts 2019-20)

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 195.509 million was lapsed due to inefficient management.

##### 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 for the Financial Year 2019-20**

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Core Indicator	Students attendance (K-2)	88.00	90.18	Achieved
	Teacher Presence	90.00	97.09	Achieved
	Head Teacher Presence	90.00	91.54	Achieved
	Availability of boundary wall	98.00	99.23	Achieved
	Availability of drinking Water	95.00	98.68	Achieved
	Availability of Furniture	70.00	68.42	Not Achieved
	Classrooms observations	80.00	92.33	Achieved
Infrastructure Indicators	Safe Building	98.00	96.72	Not Achieved
	NSB Time Lines	90.00	-	
	NSB Utilization	90.00	90.48	Achieved
	Data Health	90.00	87.46	Not Achieved
	Sufficiency of Toilets	78.80	72.62	Not Achieved
Retention Indicators	Retention (K-2)	97.00	99.16	Achieved
Monitoring and management Indicators	School Hygiene	80.00	86.74	Achieved
	Partial Facility	1.00	1.22	Achieved
Hot Line Complaints resolution Indicators	On Time resolution	90.00	96.30	Achieved

Source: Data received from CEO (DEA)

### **iii. Analyses of Appropriation Accounts and Financial Statement (Certification Audit 2020-21)**

During Certification Audit of DEA Rajanpur for the Audit Year 2020-21, it was noticed that there was a difference in trust and public receipt and payment figures of SAP and Financial Statements. Conveyance Allowance was paid to the teachers during winter vacations, which was not admissible to them. 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 2020.

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

- Variation in figures of Appropriation Accounts – Rs 246,143,802
- Difference of Trust & Public Receipt & Payment – Rs 92.116 million
- Unjustified Payment Personal allowance – Rs 1,703,834

**iv. 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 139.642 million was not produced in one case.
- Violation of Procurement, Financial and Delegation of Power rules amounting to Rs 135.958 million was observed in 13 cases.

**v. 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 68.42%, 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 96.72%, due to laxity of building department.
- Data Health was targeted 90% but achieved only 87.46%.
- Sufficiency of Toilet was targeted 78.8% but achieved only 72.62%.

**vi. Expectation Analysis and Remedial Measures**

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.

## AUDIT PARAS

### 7.1.1 Variation in figures of Appropriation Accounts – Rs 246,143,802

According to Para 2.3.2.2 of APPM, the information in the accounts and the supporting subsidiary records shall be accurate, representing the actual substance of past events, without undue errors or omission. This shall include correct and consistent classification of transactions and the recognition of revenues and expenditures in the correct time period.

During course of Financial Attest Audit of DEA Rajanpur for the financial year 2019-20, scrutiny of the appropriation account resulted following un-reconciled figures. The details are given below:

(Rupees in million)

Sr. No.	Page No. of Appropriation Account	Description	Amount
1	IV	Final Estimate 2019-20 (Non-Development)	4,289.289
2	VII	Final Grant/Appropriation (Non-Development)	4,535.432
3	2	Appropriation (Current)	4,535.432
4	5	Final Grant	4,289.289
<b>Difference of amount</b>			<b>246.144</b>

Misrepresentation of figures of closing balance

It is recommended that figures should be reconciled.

Figures are shown in appropriation accounts are as per budget approved and expenditure incurred by the District Education Authority, Rajanpur. Final draft will be submitted after necessary correction.

In the DAC meeting held on 14.11.2020 it was decided that Para stands for necessary rectification.

### **7.1.2 Difference of Trust & Public Receipt & Payment – Rs 92.116 million**

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 of DEA for the financial year 2019-20 it was noticed that DAO did not reconcile properly and huge difference closing balance of as per detailed below, was observed:

Head of Account	DEA Account-V		
	Amount as per SAP	Amount as per Financial Statement	Difference
	(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
Trust & other public account-Payment	8,096.967	8,143.025	-46.058
Trust & other public account-Receipts	8,094.789	8,140.847	-46.058
<b>Total</b>			<b>-92.116</b>

Misrepresentation of figures of closing balance

It is recommended that trust and public receipt & payment should be reconciled.

There is no difference between figure shown on SAP and Financial statements. Para may kindly be settled.

In the DAC meeting held on 14.11.2020 it was decided that Para stands for reconciliation of figure of trust and public account

### **7.1.3 Unjustified Payment Personal allowance – Rs 1,703,834**

According to Government of the Punjab Service and General Administration Department Notification No.DS(O&M) 5-3/2004/contract (MF) 10-11-2010, all the Govt. employees working on contract basis in various Department were regularized w-e-f 23-06-2011 & 2013 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 (Pention,gratuity,leave,etc). The increment already drawn should be taken as personal allowance. Further the annual increment is due on the completion of at least six months of such in the scale. The Social Security Benefit @ 30% of pay was permissible to the contract employees and they were not entitled for pension benefits.

During course of financial attest of audit of District Account Office Rajanpur of District Education Authority for the year 2019-20, it was noticed from the scrutiny of HR data that in the below mentioned cases employees appointed during or after 2018 whose could not be regularized due to shortage of time less than 3 years or in some cased date of joining was given as 00.00.0000 to hide bar of appointment period for certain benefits. However, they were allowed personal allowance amounting to Rs 1,703,834.

- Undue payments from the Government funds
- Weak control on the part of concerned department

We recommend that recovery should be made of the overpayment pointed out. Furthermore, proper checks should be applied to avoid such overpayment in future.

Under scrutiny, progress will be shown in next meeting

In the DAC meeting held on 14.11.2020 it was decided that para stands for compliance.



## CHAPTER 7.2

### 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 table given on next page shows the detail of total and audited formations of DEA Rajanpur.

(Rupees in million)

Sr. No.	Description	Total No.	Audited	Expenditure audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	100	05	2326.836	11.237
2	Assignment Accounts (Excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

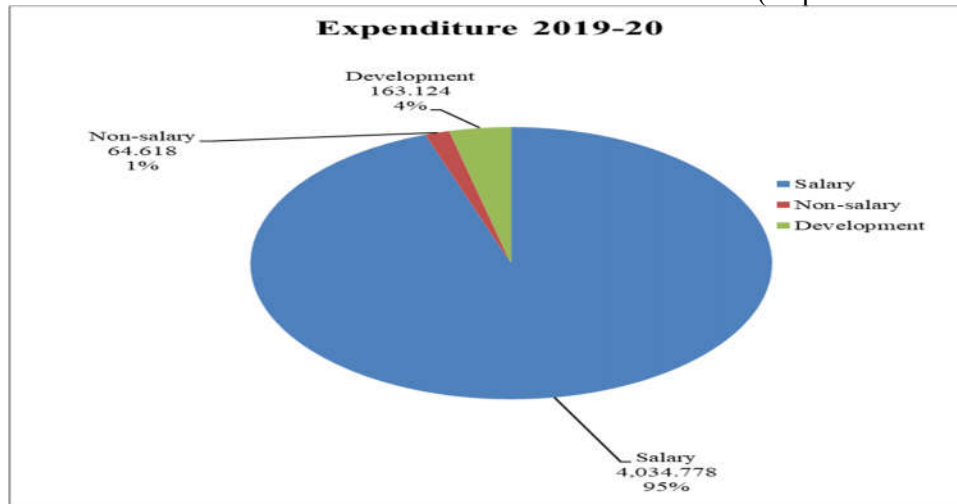
## 7.2.2 Comments on Budget and Accounts

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

(Rupees in million)

Particulars	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Salary	4215.410	4034.778	180.632	0.043
Non-Salary	73.869	64.618	3.251	0.125
Development	168.750	163.124	5.626	0.033
<b>Total</b>	<b>4458.029</b>	<b>4262.520</b>	<b>195.509</b>	<b>0.044</b>
<b>Receipts</b>	<b>11.237</b>	<b>11.237</b>		

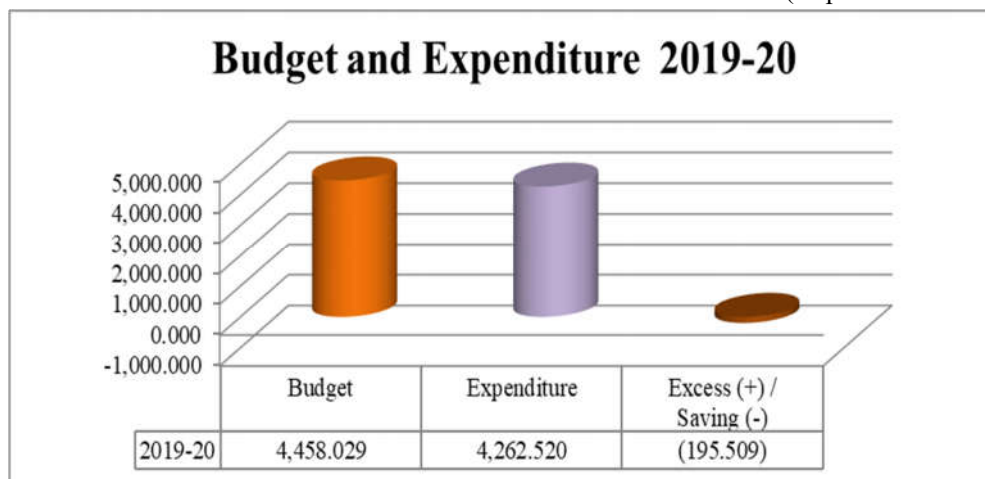
(Rupees in million)



As per the Appropriation Accounts 2019-20 of the District Education Authority, Rajanpur, total original budget (Development and Non-Development) was Rs 4458.029 million. Against the budget, total expenditure of Rs 4262.520 million was incurred by the District Education Authority during 2019-20. Lapse of funds amounting to Rs 195.509 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)**

The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

(Rupees in million)



### 7.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 275.600 million were raised as a result of this audit. This amount also includes recoverables of Rs 58.076 million as pointed out by the audit. Summary of the audit observations classified by nature is given on next page:

(Rupees in million)

<b>Sr. No.</b>	<b>Classification</b>	<b>Amount</b>
1	Non-production of record	139.642
2	Reported cases of fraud, embezzlement and misappropriation	0
3	Procedural Irregularities	0
A	HR / Employees related irregularities	51.043
B	Procurement related irregularities	84.915
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	0
5	Others	0
<b>Total</b>		<b>275.600</b>

#### **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**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	12	PAC not constituted
2	2018-19	12	PAC not constituted
3	2019-20	22	PAC not constituted

## AUDIT PARAS

### 7.3 Non-Production of Record

#### 7.3.1 Non-production of record – Rs 139.642 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 keeping of initial and subsidiary accounts.

The following DDOs incurred an expenditure of Rs 139.642 million during 2019-20, but vouched accounts of the expenditure of development work, 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	Development record	83.539
2	Dy. DEO (EE-M) Jampur	Arrear of pay and allowances	10.250
		NSB Record	0.521
3	Dy. DEO (EE-M) Rajanpur	Vouched Account	1.382
4	Dy. DEO (EE-W) Rajanpur	Inspection allowance	41.250
		Vouched Account	2.700
<b>Total</b>			<b>139.642</b>

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 139.642 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

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:7,9,12,6,17,20]

## 7.4 Procedural Irregularities

### 7.4.1 Irregular expenditure from NSB - Rs 31.330 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 expenditure of Rs 31.330 million during 2019-20 out of NSB without approval of school council, record of stock entries and consumption of stores. Furthermore, the work done was neither inspected nor verified by the Education authorities. In most of the cases payments were also made in cash instead of crossed cheques. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-M) Jampur	Furniture, repair and maintenance	16.511
2	Dy. DEO (EE-M) Rajanpur		14.639
3	Dy. DEO (EE-W) Rajanpur	Uniform	0.180
<b>Total</b>			<b>31.330</b>

Due to weak financial management, expenditure was incurred without observing codal formalities.

Non-observance of codal formalities resulted in irregular expenditure of Rs 31.330 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs 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 the expenditure from the competent authority.

[AIR Paras: 11,13,23]

#### 7.4.2 Unauthorized payment of conveyance allowance – Rs 30.018 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 30.018 million to the employees without admissibility during Covid-19 lockdown, vacations and leave period. The details are given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	CEO (DEA)	LFP	0.037
		Covid-19 lockdown	0.307
		Summer vacation	13.646
2	Dy. DEO (EE-M) Jampur	Winter vacation	2.733
		Summer vacation	2.051
		Leave on full pay	0.027
3	Dy. DEO (EE-W) Jampur	Leave on full pay	0.707
		Winter vacation	0.624
		Covid-19 vacation	1.488
4	Dy. DEO (EE-M) Rajanpur	Winter vacation	2.6
		Leave on full pay	0.056
		Summer vacation	1.997
5	Dy. DEO (EE-W) Rajanpur	Leave on full pay	0.301
		Winter vacation	1.825
		Covid-19 vacation	1.619
<b>Total</b>			<b>30.018</b>

Due to weak financial management, inadmissible conveyance allowance was paid.

Payment of inadmissible conveyance allowance resulted in loss of Rs 30.018 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDO 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 recovery of Rs 30.018 million.

[AIR Paras:1,3,4,1,2,3,1,9,10,2,4,8,7,15,16]

### 7.4.3 Irregular cash payment - Rs 19.203 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 19.203 million during 2019-20 to various contractors and suppliers on account of contingent expenditure in cash instead of crossed cheques. The details are given below:

(Rupees in million)			
Sr. No.	DDOs	Description	Amount
1	CEO, DEA	Payment to suppliers	0.769
2	Dy. DEO (EE-M) Jampur		15.312
3	Dy. DEO (EE-M) Rajanpur		3.122
<b>Total</b>			<b>19.203</b>

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 19.203 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs 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 the expenditure.

[AIR Paras: 15,5,5]

#### **7.4.4 Recovery of irregular payment of inspection allowance – Rs 14.835 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.

Audit observed from the scrutiny of SAP FI data for the months from April to June, 2020, that 72 Assistant Education Officers (AEOs), working in DEA, Rajanpur drew Inspection Allowance amounting to Rs 14.835 million during complete closure of schools due to outbreak of COVID-19. Hence, unauthorized payment of Inspection Allowance was made without inspection and achievement of KPIs because the same could not have been done due to complete closure of schools. The details are given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Employees</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Jampur	15	1.500
		15	4.539
		14	1.100
2	Dy. DEO (EE-M) Rajanpur	17	5.421
3	Dy. DEO (EE-W) Rajanpur	14	2.275
<b>Total</b>		<b>72</b>	<b>14.835</b>

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 14.835 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the overpaid amount of Rs 14.835 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:5,8,18,1,18]

#### **7.4.5 Unauthorized retention of public money in DDO account – Rs 11.100 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 11.100 million out of the Government treasury during 2019-20. However, the same was not disbursed to the concerned claimants till June, 2020. Resultantly, the amount was withdrawn and unduly retained without immediate need. The detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDO</b>	<b>Account No.</b>	<b>Closing Balance as on 30.06.19</b>
1	CEO (DEA)	NBP- 4141791333	5.061
2	Dy. DEO (EE-M) Jampur	NBP- 4106986654	3.185
3	Dy. DEO (EE-W) Jampur	NBP-3106936244	2.854
<b>Total</b>			<b>11.100</b>

Due to weak financial management, the Government funds were withdrawn from the Government treasury without immediate need.

Withdrawal of funds without immediate need resulted in unauthorized retention of public money amounting to Rs 11.100 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

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: 6,8,31]

#### **7.4.6 Unjustified expenditure without any expense of store items – Rs 9.451 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 for any overcharges, frauds and misappropriation. Further 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) Jampur, incurred expenditure of Rs 9.451 million was incurred on purchase of various items without further issuance/consumption which resulted in unjustified expenditure of Rs 9.451 million. **(Annexure-C/RP)**

Due weak internal control, expenditure was incurred without need.

Incurring of expenditure without need resulted in unjustified expenditure of Rs 9.451 million.

The matter was reported to the CEO and DDO concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing of responsibility against the persons at fault besides regularization of expenditure from the competent authority.

[AIR Para:26]

#### **7.4.7 Non-deduction of income tax and sales tax – Rs 7.033 million**

According to Section 153(1) 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 2019-20. However, an amount of Rs 7.033 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not / less deducted from the payments. The details are given below:

(Rupees in million)

Sr. No.	DDOs	Income Tax	Sales Tax	PST on Services	Amount
1	CEO (DEA)	1.290	1.495		2.785
2	Dy. DEO (EE-W) Jampur	1.11	2.091		3.201
3	Dy. DEO (EE-W) Rajanpur	0.141	0.749	0.157	1.047
<b>Total</b>		<b>2.541</b>	<b>4.335</b>	<b>0.157</b>	<b>7.033</b>

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 7.033 million to the suppliers/service providers/contractors.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 7.033 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:18,19,20,14,22,24,21,22,24]

#### **7.4.8 Expenditure through managed bills - Rs 3.221 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.

Head teachers of various schools under the administrative control of Dy. DEO (EE-W) Jampur incurred expenditure of Rs 3.221 million on purchase of general store items. Scrutiny of record depicted that bills / invoices issued by the same supplier(s) were in consecutive serial numbers but with considerable gap of time period. It was also observed that the bills / invoices were also not in chronological order and the same were managed just to draw the funds. **(Annexure-D/RP)**

Due to weak internal controls, bills / invoices were managed just to withdraw the funds.

Withdrawal of funds through managed invoices resulted in unauthentic expenditure of Rs 3.221 million.

The matter was reported to the CEO and DDO concerned in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to probe the matter for fixing responsibility on the person(s) at fault.

[AIR Paras:20,25]

#### **7.4.9 Unauthorized payment of salary during leave without pay – Rs 2.634 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 paid an amount of Rs 2.634 million during 2019-20 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) Rajanpur	2019-20	1.747
2	Dy. DEO (EE-W) Jampur		0.887
<b>Total</b>			<b>2.634</b>

Due to weak financial management, salaries were paid to employees during leave without pay.

Payment of salaries during leave period resulted in overpayment of Rs 2.634 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 2.634 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:11,2]

#### **7.4.10 Incurrence of the expenditure without advertisement – Rs 2.351 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.

Following DDOs of DEA, Rajanpur incurred an expenditure of Rs 2.351 million during 2019-20 for purchase of furniture and fixture, IT equipment, hardware, literacy kits, books and stationery without tender advertisement on PPRA

website by splitting and without following the advertisement procedure. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	CEO (DEA)	Stationery	0.400
2	Dy. DEO (EE-W) Jampur	Furniture, Repair & maintenance	1.951
<b>Total</b>			<b>2.351</b>

Due to weak financial management, expenditure was incurred without advertisement.

Incurrence of the expenditure without advertisement resulted in irregular expenditure of Rs 2.351 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDO 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 the expenditure.

[AIR Paras:5,17]

#### **7.4.11 Unauthorized payment of inadmissible allowances – Rs 2.131 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 2.131 million during 2019-20, which were not admissible. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-M) Jampur	Charge Allowance	0.600
		Qualification allowance	0.304
		Conveyance allowance	0.360
2	Dy. DEO (EE-M) Jampur		0.035
3	Dy. DEO (EE-M) Rajanpur	Qualification allowance	0.118
		Conveyance allowance	0.390
4	Dy. DEO (EE-W) Rajanpur	Personal allowance	0.189
		Increment during Maternity leave	0.011
		Inadmissible allowance	0.024
		Qualification allowance	0.100
<b>Total</b>			<b>2.131</b>

Due to weak financial management, payment of inadmissible allowances was made.

Payment of inadmissible allowances resulted in loss of Rs 2.131 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 2.131 million, besides fixing responsibility on the person(s) at fault.

[AIR Paras:6,7,13,15,3,9,9,10,13,14]

#### **7.4.12 Recovery of unauthorized payment of SSB – Rs 1.425 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 paid an amount of Rs 1.425 million during 2019-20 on account of social security benefit to 124 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) Jampur	61	0.859
2	Dy. DEO (EE-W) Rajanpur	63	0.566
<b>Total</b>		<b>124</b>	<b>1.425</b>

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 1.425 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. DDO did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of Rs 1.425 million besides fixing responsibility on the person(s) at fault.

[AIR Paras:35,2]

#### **7.4.13 Non-accountal of stores – Rs 1.226 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.

CEO, DEA Rajanpur incurred expenditure amounting to Rs 1.226 million for purchase of various items including machinery & equipment, general store items, laptop, etc. during 2019-20. However, expenditure was shown incurred without accounting for these items in stock register. **(Annexure-E/RP)**

Due to weak internal controls, procured items were not accounted for in stock register.

Withdrawal of funds against various items without their accountal in stock register resulted in irregular expenditure of Rs 1.226 million.

The matter was reported to the CEO in August, 2020. DDOs did not submit replies.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends to probe the matter for fixing responsibility on the person(s) at fault.

[AIR Para:2]

## **8. District Education Authority (DEA) Chiniot**

### **CHAPTER 8.1**

#### **Public Financial Management Issues**

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Chiniot on annual basis.

#### **Sectoral Analysis**

##### **a) Financial Attest Audit Findings**

Following findings regarding financial management issues were also conveyed to the PAO during Financial Attest Audit of DEA Chiniot for financial year 2019-20:

- i. Incorrect reporting of cash / bank balances Rs 37.496 million.
- ii. Non-transfer of receipt – Rs 89.851 million.
- iii. Non-reporting of Fixed Assets – Rs 33.078 million.
- iv. Incorrect reporting of balances / difference in SAP data and Annual Accounts.
- v. Difference between SAP and Financial Statements in Trust & other Public Accounts Receipt – Rs 7.895 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.

##### **b) 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 2019-20. 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 the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Quality Indicators Literacy & Numeracy Drive (LND) Test Results	LND	82	74.3	Not Achieved
Core Indicators	Students Attendance	92	94.3	Achieved
	Teacher Presence	90	93.5	Achieved
	Head Teacher Presence	90	95.94	Achieved
	Availability of Boundary Wall	98	98.43	Achieved
	Availability of Drinking Water	95	99.32	Achieved
	Availability of Furniture	70	72.42	Achieved
	Classroom Observation	80	93.8	Achieved
Infrastructure Indicators	Safe Buildings	98	100	Achieved
	NSB Timelines	90	N.A	Not Clear
	NSB Utilizations	90	87.78	Not Achieved
	Data Health	90	94.62	Achieved
	Sufficiency of Toilet	83.8	93.04	Achieved
Retention Indicators	Retention (K-12)	97	98.58	Achieved
Monitoring & Management Indicators	School Hygiene	80	82.15	Achieved
	Partial Facility	1	1.62	Achieved
	On time Resolution	90	100	Achieved

(Source: Data retrieved from PMIU Data Pack)

From the data analysis of DEA Chiniot, it was observed that DEA achieved its overall targets regarding teacher attendance, students' attendance / retention and dangerous buildings but failed to achieve the targets regarding LND test results and Non-Salary Budget (NSB) utilization. Data for NSB timelines was missing and results about performance in this area remained unclear. Overall, the Authority

achieved 96.26% targets leaving room for improvement. It is pertinent to mention here that some schools still lacked furniture, boundary walls and toilet facilities, which are basic requirements. It was observed that development funds amounting to Rs 16.097 million were not utilized and lapsed during the financial year. These core indicators were not achieved which means 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 below:

### **Detail of Missing Facilities in Public Sector Schools as on 30.06.2020**

(Figures in Numbers)

<b>Category of Missing Facility</b>	<b>Description</b>	<b>Girls Schools</b>	<b>Boys Schools</b>	<b>Total</b>
Missing Boundary Wall	No. of schools without boundary wall	1	3	4
Missing Toilet Facility	No. of schools having missing toilet facility	11	14	25
Missing Class Rooms	No. of schools facing shortage of class rooms	110	132	242
	No. of missing class rooms	110	149	259
Missing Furniture	No. of schools facing shortage of furniture	6	23	29
	No. of Students for whom furniture was not available	656	1,081	1,737

(Source: Data provided by CEO, DEA Chiniot)

There are four schools without boundary walls which include one girls' school and 25 schools including 11 girls' schools were without toilet facility. There was also shortage of class rooms for 242 schools and 29 schools remained without necessary furniture during 2019-20. This portrays a gloomy picture of the state of education in public sector in District Chiniot.

### **c) 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. Procedural Irregularities amounting to Rs 97.857 million were noticed in 13 cases.
- ii. Value for Money and Service Delivery Issues involving Rs 68.048 million were noticed in three cases.
- iii. Other issues involving an amount of Rs 18.061 million were noticed in four cases.

**Conclusion:**

The overall financial management regarding achievement of budget utilization was not satisfactory as more than 19% funds of Non-Development budget were lapsed while DEA could not utilize more than 15% 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 421.106 million were pointed out during audit of 2019-20.

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 16.097 million were lapsed during the year which could have been utilized to provide the missing facilities. The target of utilization of Non-Salary Budget was not achieved. Thousands of students were without basic facilities such as desks and tables, while a number of schools were operating without class rooms, toilets and with partial facilities.

## AUDIT PARAS

### 8.1.1 Incorrect reporting of data in Appropriation Accounts – Rs 114.292 million

According to the section 2.3.2.2 of the Accounting Policies and Procedural Manual (APPM), the information in the accounts and the supporting subsidiary records shall be accurate, representing the actual substance of past events, without undue errors or omission.

During Financial Attest Audit of District Accounts Office, Chiniot it was observed that DEA approved budget of Rs 3,849.097 million in original schedule of authorized expenditure which was revised to Rs 3,734.806 million. Later on, supplementary grants of Rs 232.324 million were approved resulting in total approved budget of Rs 3,967.128 million out of which expenditure of Rs 3321.780 was incurred resulting in savings of Rs 645.349 million whereas page No. VII of Appropriation Accounts indicated savings of Rs 759.640 million and indicated incorrect analysis of excess / savings worth Rs 114.292 million. The details are as under:

(Rupees in million)

Description	Original Schedule of authorized expenditure	Revised Schedule of authorized expenditure	Supplementary Grants	Actual Final Grant (col3+col4)	Actual Expenditure	Variance (+) Excess (-) Savings
Non-Development	3,779.557	3,626.186	193.244	3,819.429	3,229.257	590.173
Development	69.540	108.620	39.080	147.699	92.523	55.176
<b>Total</b>	<b>3,849.097</b>	<b>3,734.806</b>	<b>232.324</b>	<b>3,967.128</b>	<b>3,321.780</b>	<b>645.349</b>

Data of revised schedule was not depicted in appropriation account which did not indicate clear picture of final grant of DEA.

Audit recommends proper reporting of financial data in relevant Appropriation Account according to revised schedule of authorized expenditure.

The Deputy Accountant General Accounts, office of the Accountant General Punjab, Lahore has been requested for necessary guidelines for



rectification of discrepancy found in Appropriation Accounts of this office vide this office letter No. DAO/CT/ADMN/173 for settlement of audit paras.

Audit recommends to rectify the difference in appropriation accounts and get it verified from Audit. DAC directed DAO Chiniot to rectify the difference and true data depict in appropriation accounts. Para pending subject to compliance and verification.

### 8.1.2 Non-transfer of receipts – Rs 89.851 million

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.

During Financial Attest Audit of District Education Authority, Chiniot for the period 2019-20, it was observed that District Accounts Officer, Chiniot collected different receipts on behalf of the Federal and Provincial Government against various GL Accounts during 2019-20. Scrutiny of the record revealed that the same were not transferred to the concerned Governments as compared to actual collection amount. The details are as under:

(Rupees in million)

Sr. No.	GL Account	Description	Opening Balance / Previous Year's Receipt	Receipt during the year	Payment made during CFY	Balance not Transferred
1	G06103	General Provident Fund (Civil)	34.762	117.768	1,027.726	49.804
2	G06215	District Govt. Employee B.F	32.128	38.483	35.094	35.517
3	G06411	District Govt. Employee Insurance Fund	2.562	4.933	4.492	3.004
4	G11278	Contribution to GSHF from members	1.306	2.744	2.524	1.526
<b>Total</b>			<b>70.758</b>	<b>163.928</b>	<b>1,069.836</b>	<b>89.851</b>

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.

Audit recommends transfer of receipts to the Governments concerned at the earliest.

Un-transferred receipts have been transferred to the respective governments during current month (October, 2020).

Audit recommends to provide proper documentary evidence and get it verified from Audit. DAC directed DAO, Chiniot that amount may be transferred at the earliest and report progress to Audit. DAC further recommended the para for settlement after verification of record.

### **8.1.3 Non-reporting of Fixed Assets – Rs 33.078 million**

District Accounts Officer, Chiniot made payments amounting to Rs 33.078 million under GL Account A09 & A12 for procurement of assets and execution of civil works by the District Education Authority during 2019-20. Contrary to the above referred Section of APPM, the expenditure was not included in statement of Capital Expenditure and asset side of Balance Sheet.

- A09- Physical Assets Rs 6.969 million
- A12- Civil Works Rs 26.113 million

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.

Audit recommends justification besides reporting of Fixed Assets in Balance Sheet.

The Deputy Accountant General Accounts, office of the Accountant General Punjab, Lahore has been requested for necessary guidelines for rectification of discrepancy found in Balance Sheet of this office vide this office letter No. DAO/CT/ADMN/173 for settlement of audit paras.

Audit stressed upon early response. DAC directed DAO Chiniot to submit compliance at the earliest.

#### **8.1.4 Incorrect reporting of Balances / Difference in SAP data and Annual Accounts**

According to the section 2.3.2.2 of the Accounting Policies and Procedural Manual (APPM), the information in the accounts and the supporting subsidiary records shall be accurate, representing the actual substance of past events, without undue errors or omission.

During scrutiny of Financial Statements and SAP Data pertaining to District Education Authority, Chiniot for the year 2019-20, it was observed that opening and closing balances reported in Finance Account (Page No.7 of 5) differ with the SAP data / FBL3N report, as detailed below:

(Rupees in million)

Description	Balance as per SAP Data	Balance as per Financial Statement (Page No.7 of 5)
<b>G-12713 (Income Tax deduction from salaries )</b>		
Opening Balance as on 01.07.2019	(737.687)	2,318.351
Closing Balance as on 30.06.2020	1,986.249	332.102
<b>G-12714 (Income Tax deduction from suppliers )</b>		
Opening Balance as on 01.07.2019	(3,254.960)	2,780.707
Closing Balance as on 30.06.2020	3,278.015	(497.308)
<b>G-12777 (Sales Tax deduction at source )</b>		
Opening Balance as on 01.07.2019	(1,182.266)	1,156.773
Closing Balance as on 30.06.2020	1,384.890	(228.117)

The difference in amount may resulted into under / over statement in booking of receipts/payments.

Matter regarding difference in figure may be justified and accurate data be reported in Finance Accounts.

The matter refers to TDH-II for necessary guidelines/rectification vide this office letter No. DAO/CT/ADMN/173 for settlement of audit paras.

Audit stressed an early compliance. DAC directed DAO Chiniot to submit compliance at the earliest.

### **8.1.5 Difference between SAP and Financial Statement in Trust & other Public Accounts Receipt – Rs 7.895 million**

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.

During Financial Attest Audit of District Accounts Officer, Chiniot, it was observed that a difference between SAP and financial statement of Account-V in Trust & Other Public Account Receipt amounting to Rs 7.895 million. The same was required to be justified and corrected accordingly. The detail is as under:

(Rupees in million)

Head of Account	DEA Account –V		
	Amount as per SAP Data	Amount as per Financial Statement	Difference
Trust & other public account-Receipts	6,241.237	6,249.132	-7.895

Difference between SAP and financial statement of Account-V in Trust & Other Public Account Receipt, showing the unauthentic data depicted in financial statement.

Audit recommends to rectify the error in Trust and other Public Account Receipt and get it verified from Audit.

It is submitted that the matter would be referred to TDH Section, office of the Accountant General Punjab, Lahore vide this office letter Noida/CT/ADMN/173 for necessary guidance, for settlement of audit paras.

Audit stressed upon early compliance. DAC directed the DAO Faisalabad to take up the matter with TDH-I section of AG Punjab and report progress to Audit.

## CHAPTER 8.2

### DEA Chiniot

#### 8.2.1 Introduction

District Education Authority, Chiniot was established on 01.01.2017 under the 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
<b>Total</b>	<b>713</b>	<b>94</b>

(\*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 2019-20	Revenue/ Receipts Audited FY 2019-20
1	Formations	94	05	1,494.801	2.900
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 2019-20.

(Rupees in million)

2019-20	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Non-Development (Salary + Non-Salary)	3,972.800	3,229.257	-743.543	19
Development	108.620	92.523	-16.097	15
<b>Total</b>	<b>4,081.420</b>	<b>3,321.780</b>	<b>-759.640</b>	<b>34</b>
Receipts	-	5.915		-

(Source: Appropriation Accounts 2019-20)

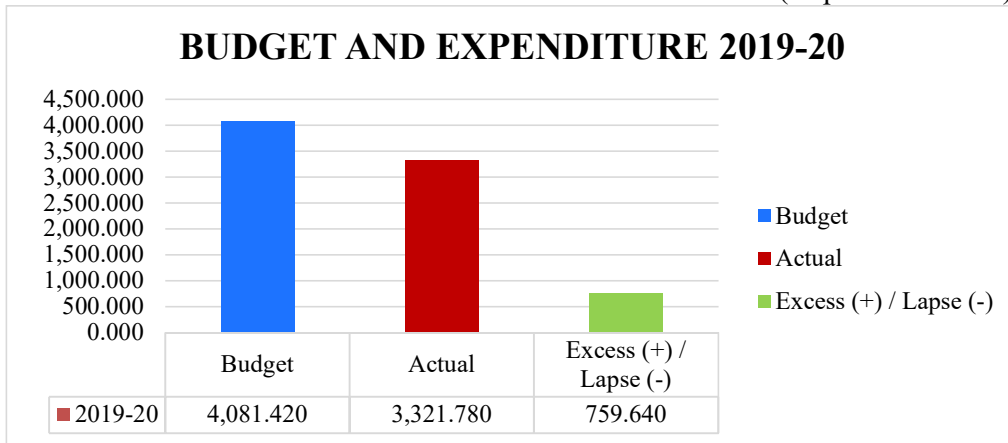
Analysis of budget and expenditure indicated that:

- a. An amount of Rs 3,972.800 million was provided for salary and non-salary expenditure. A lapse of Rs 743.543 million was observed, which accounts for 19% of the total budget.
- b. An amount of Rs 108.620 million was provided under development grant, out of which an amount of Rs 92.523 million was utilized. The department did not utilize funds in a timely manner, resulting in a lapse of Rs 16.097 million i.e. 15%.

- 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 2019-20.

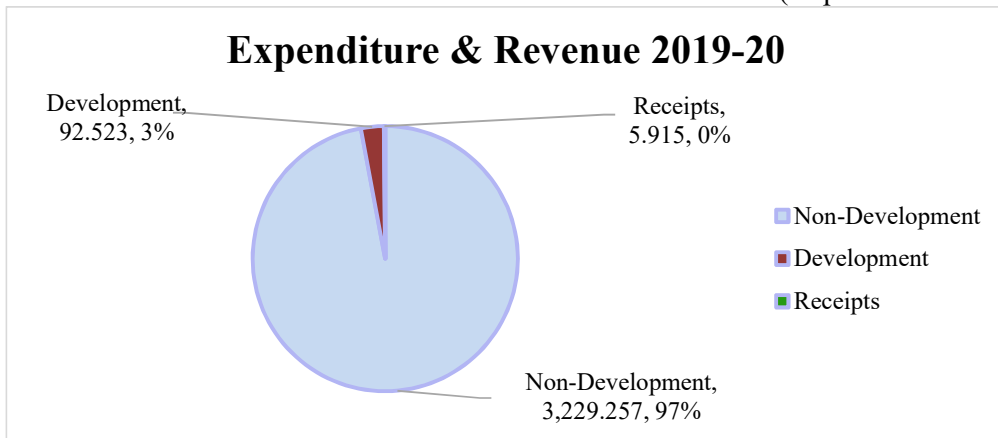
Graphical presentation of budget & expenditure is as under:

(Rupees in million)



Graphical presentation of expenditure and revenue is as under:

(Rupees in million)



### 8.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 183.966 million were raised as a result of this audit. This amount also includes recoverable of Rs 76.771 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	Procedural Irregularities	-
3A	HR/Employees related irregularities	60.585
3B	Procurement related irregularities	37.272
3C	Management of Accounts with Commercial Banks	-
4	Values for money and service delivery issues	68.048
5	Others	18.061
	<b>Total</b>	<b>183.966</b>

### 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.

#### 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	22	PAC not constituted
3	2019-20	26	PAC not constituted



## **AUDIT PARAS**

### **8.3 Procedural Irregularities**

#### **8.3.1 Payment of inadmissible Conveyance Allowance – Rs 24.060 million**

According to Government of the Punjab, Finance Department letter No. FD.PR-9-4/86(P) (PT.II)(PR) dated 21.08.2015, Conveyance Allowance is compensation to those employees who spend daily expenditure either to reach offices or back to home.

Audit observed that DDOs of District Education Authority, Chiniot made excess payment of salary amounting to Rs 24.060 million to 2,257 employees due to non-deduction of Conveyance Allowance that was not admissible during the period of summer vacations / closure of schools due to outbreak of COVID-19.

Due to poor financial management, payment of inadmissible Conveyance Allowance was made to the employees.

Payment of inadmissible Conveyance Allowance resulted in excess payment of Rs 24.060 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned in August 2020. In DAC meeting held in November, 2020, it was replied that District Accounts Officer had been requested to recover the amount from pay of relevant staff.

DAC directed to effect recovery from the concerned and report progress within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends early recovery of excess paid amount of Rs 24.060 million from the employees concerned.

[AIR Paras: 14, 6, 2, 2, 6, 7]

#### **8.3.2 Irregular utilization of NSB – Rs 17.378 million**

According to Paras 3.4.7, 3.8 and 4 of the Guidelines for Utilization of Non-Salary Budget (NSB) read with Rules 4, 9, 12(1) and 59 (b) of the Punjab

Procurement Rules, 2014, School Councils were required to follow the Punjab Procurement Rules and execute development works according to the Government approved design and specifications. Furthermore, according to Section 23(1) of the Sales Tax Act, 1990 read with FBR Sales Tax Circular No.02 of 2019 issued vide C. No. ½-STB/2019, 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.

Head teachers of 53 elementary and primary schools, under the administrative control of Deputy DEOs (EE-W), Lalian & (EE-W) Bhowana incurred expenditure of Rs 17.378 million on execution of civil works, procurement of furniture, smart phones/tablets, stationery, computers, laptops, repair of different items etc. during 2018-20. Audit observed that, in most of the cases, funds from NSB bank accounts were withdrawn in advance and that too without prior approval of the School Councils. Further, bills were split to avoid competitive bidding and almost 95% procurements by all the schools were made from one supplier. Technically Sanctioned Estimates, muster rolls and details of works done were not on record. Neither invoices were in chronological order nor was GST amounting to Rs 1.571 million deposited by the supplier. In some cases, sales tax invoices issued by the vendors / suppliers were without NTN/ STRN, date and serial number. In some cases, GST was charged in bill without issuance of sales tax invoice. The details are as under:

(Rupees in million)			
Sr. No.	DDOs	No. of Schools	Amount
1	Deputy DEO (EE-W), Lalian	44	16.225
2	Deputy DEO (EE-W), Bhowana	9	1.153
<b>Total</b>		<b>53</b>	<b>17.378</b>

Due to weak internal controls, NSB was not utilized in prescribed manner.

Utilization of NSB in violation of prescribed procedure resulted in irregular expenditure amounting to Rs 17.378 million and unauthorized payment of GST to vendors.

The matter was reported to the PAO and DDO concerned in August, 2020. In DAC meeting held in November, 2020, it was replied that all the head teachers had been directed to reply the observation.

DAC directed to probe the matter and submit detailed report alongwith documentary evidence. No progress was intimated to Audit till finalization of this Report.

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

[AIR Paras: 01, 04]

### **8.3.3 Unjustified payment of salaries through adjustments in payroll – Rs 10.649 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. 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.

Audit observed that Deputy District Education Officer (EE-W), Lalian made payment amounting to Rs 10.649 million to different employees through adjustments in pay and allowances without justifying such adjustment supported by the ancillary record.

Due to weak financial controls, salaries were paid through adjustments without maintaining supporting record.

Payment of pay and allowances through adjustment / without maintaining supporting record resulted in unjustified payment of Rs 10.649 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned in August, 2020. In DAC meeting held in November, 2020, it was replied that record would be obtained from the employees concerned and shown to Audit.

DAC directed to probe the matter for payment through adjustments without maintaining supporting record. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault.

[AIR Para: 04]

### 8.3.4 Non-recovery of Pension Fund share – Rs 10.617 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 “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, Chiniot invested Pension Fund of Education Department, Chiniot in PLS Term Deposit Receipt (TDR) @ 9% interest. However, CEO, DEA, Chiniot could not get the Pension Fund share and Profit on TDRs returned from the successors of erstwhile District Government which resulted into non-recovery of share amounting to Rs 10.617 million. The details are given below:

(Rupees in million)

TDR No Deposited in BOP	Date of Deposit of TDR	Account –No	Deposited amount	No of years	Interest @ 9%	Recoverable Amount
003612	25.05.2015	9670-1	6.900	05	3.717	10.617

Due to non-compliance of Government instructions and laxity on the part government functionaries, Pension Fund share was not recovered.

Non-recovery of Pension Fund share resulted in shortage of fund amounting to Rs 10.617 million.

The matter was reported to the PAO/DDO concerned in August, 2020. In DAC meeting held in November, 2020, it was replied that TDRs had been matured and the case regarding transfer of share to DEA was under process in the office of Deputy Commissioner, Chiniot.

DAC directed to pursue the matter vigorously for recovery of proportionate share of DEA Chiniot. No progress was intimated to Audit till finalization of this Report.

Audit recommends early recovery of Pension Fund share amounting to Rs 10.617 million.

[AIR Para: 15]

### **8.3.5 Unauthorized payment of LPR without sanction – Rs 8.437 million**

According to Rule 33(1) of the Punjab District Authorities (Accounts) Rules, 2017, the Accounts Officer, while pre-auditing the payments, shall ensure that the claim voucher (bill) is duly sanctioned by the authority competent to sanction the claim and signed with official stamp by the Drawing and Disbursing Officer (DDO); supporting documents and books of accounts (measurement book, stock register, logbook) accompanying the claim and verified by the DDO, are valid and genuine.

Chief Executive Officer, District Education Authority, Chiniot accorded financial sanctions regarding Leave Preparatory to Retirement (LPR) amounting to Rs 101.887 million in favor of 278 employees out of which an amount of Rs 9.968 million remained unpaid to 40 employees during 2019-20. However, scrutiny of SAP FI data revealed that payment of LPR amounting to Rs 100.356 million was made to 271 employees which indicated that payments of Rs 8.437 million were made by the District Accounts Officer (DAO), Chiniot through 33 SAP documents without financial sanction of the CEO, DEA. Furthermore, the CEO did not reconcile its record with the DAO. The details are given on next page:

(Rupees in million)

Description	Amount
Total LPR sanctioned and released in favour of 278 employees (a)	101.887
Amount of LPR not paid to 40 employees for whom LPR was sanctioned (b)	9.968
Amount paid to 238 out of 278 employees for whom LPR was sanctioned (c = a-b)	91.919
Amount of LPR paid by District Accounts Office (DAO) to 271 employees (as per FI Data) (d)	100.356
<b>LPR paid by DAO through 33 SAP documents without Sanction of Competent Authority (e = d-c)</b>	<b>8.437</b>

Due to weak internal controls, payments of LPR were made without sanctions of the Competent Authority.

Payments without sanctions of the Competent Authority resulted in unauthorized payments of LPR amounting to Rs 8.437 million.

The matter was reported to the PAO / DDO in August, 2020. In DAC meeting held in November, 2020, it was replied that sanctions had been granted to all the retired employees. The reply was not tenable because payments were made by DAO without sanction of CEO and no documentary evidence was provided in support of reply.

DAC directed to inquire the matter and submit detailed report to Audit within two weeks. No progress was intimated to Audit till finalization of this Report.

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

[AIR Para: 09]

### **8.3.6 Irregular expenditure without tenders / quotations – Rs 8.011 million**

According to Rule 9, 12 and 59(c) of the Punjab Procurement Rules, 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. 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. Petty purchases through at least three quotations may be made where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees.

Chief Executive Officer, DEA Chiniot and School Councils of 43 primary/elementary schools incurred expenditure of Rs 8.011 million on purchase of furniture, stationery, machinery, equipment, general store items, building material etc. from local market during 2019-20. Contrary to the above, procurements were made either without calling 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. In some cases, neither specifications regarding size, material, quality of material etc. were determined nor were permanent stock registers maintained to safeguard the procured items. The details are given below:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Items Purchased	Amount
1	CEO, DEA Chiniot	-	Purchase of stationery, furniture, machinery, equipment, general store items	1.719
2	Deputy DEO (EE-M) Chiniot	09	Purchase of furniture, fixture and repair/maintenance of building, civil work etc.	1.738
3	Deputy DEO (EE-W) Chiniot	09	Purchase of furniture, fixture and repair/maintenance of building, civil work etc.	2.075
4	Deputy DEO (EE-W), Bhowana	25	Purchase of student desk benches, furniture & fixtures etc.	2.479
<b>Total</b>		<b>43</b>		<b>8.011</b>

Due to weak internal controls and lack of planning, expenditure was incurred without open competition.

Incurrence of expenditure without tendering / quotations resulted in mis-procurement and irregular expenditure of Rs 8.011 million

The matter was reported to the PAO and DDOs concerned in August, 2020. In DAC meeting held in November, the CEO and Deputy DEO (EE-M), Chiniot replied that funds were released quarterly hence tendering was not made and splitting occurred whereas other DDOs did not submit replies. The Reply of CEO and Deputy DEO (EE-M), Chiniot, was not tenable because procurement opportunities were not properly planned at the start of the year in violation of PPRA Rules 2014.

DAC directed to get the expenditure regularized from Competent Authority within two weeks. No progress was intimated to Audit 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: 4, 9, 6, 3]

### **8.3.7 Irregular expenditure without observing prescribed procedure - Rs 5.558 million**

According to Sections 3, 6, 9 to 12, 16 & 17 of the Punjab Seized and Freezed Institutions (Madaaris and Schools) Act, 2019, the Government shall constitute a Board to be known as Madaaris and Schools Management Board for the management and control of the institutions. The Board shall have the powers to acquire and dispose of a property and to enter into contracts, recruit and determine terms and conditions of employees of the institutions, formulate the budget of the institutions. The Directorate headed by Director shall manage the properties of the institutions and affairs of their students. All liabilities of the institutions, properties, movable or immovable, owned by institutions shall vest in the Board. The Board shall maintain complete and accurate books of accounts in such form and manner as may be prescribed. The Board shall submit a statement of estimated receipts and expenditure in respect of the next financial year to the Government for approval.

Chief Executive Officer, DEA, Chiniot made payment of Rs 5.558 million during 2019-20 for fulfillment of financial needs of taken over properties (Madaaris) of proscribed organizations in respect of salaries of the staff and contingent



expenditure of the institutions. However, following discrepancies were observed in utilization of funds:

- i. Funds were utilized without establishing Madaaris and Schools Management Board and Directorate.
- ii. Rules, regulations, TORs, instructions, guidelines etc. regarding utilization of funds were not framed / forthcoming from the available record.
- iii. Funds were provided and utilized without preparation & approval of annual budget estimates of the institutions and without formulating forms and registers for preparation of accounts and financial statements.
- iv. Expenditure on salaries and wages of staff was incurred without any authentication / identification of detail of employees, their terms of appointment/service, salary structure etc.
- v. Record regarding delegation of administrative and financial powers was also not available and funds were disbursed without framing rules regarding procurement of goods and services etc. Contingent expenditure was incurred without maintaining record such as bills of vendors/service providers, sanction of competent authority etc.

Neither detail of properties, movable or immovable, owned by the taken over institutions nor any record regarding collection of fees and other sums received by the institutions was maintained.

Due to weak administrative controls, funds were utilized without framing rules, regulations & mandate and without maintaining prescribed record.

In the absence of mandate of utilization of funds, rules, regulations and record, legitimacy of the expenditure incurred amounting to Rs 5.558 million could not be ascertained.

The matter was reported to the PAO and DDOs concerned in August, 2020. In DAC meeting held in November, 2020, it was replied that expenditure on account of salary and food items was incurred as per policy of Government of the Punjab. The reply was not tenable because funds were utilized without observing the

provisions of the Act and documentary evidence was not provided in support of reply.

DAC directed to get the matter regularized from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

[AIR Para: 29]

### **8.3.8 Unauthorized Payment of Inspection Allowance during closure of schools – Rs 3.075 million**

According to Government of the Punjab, School Education Department Office Order No.SO(Budget) 1-15/2013 dated 15.01.2018 and Notification No.SO(SE-III)5-226/2017 dated 18.12.2018, Inspection Allowance of Rs 25,000 per month was sanctioned for Assistant Education Officer (AEOs) working in School Education Department subject to fulfilment of 15 out of 17 verifiable Key Performance Indicators (KPIs)

Audit observed from the scrutiny of SAP FI data for the months from April to June, 2020, that 35 Assistant Education Officers (AEOs), working in DEA, Chiniot drew Inspection Allowance amounting to Rs 3.075 million during complete closure of schools due to outbreak of COVID-19. Hence, unauthorized payment of Inspection Allowance was made without inspection and achievement of KPIs because the same could not have been done due to complete closure of schools.

Due to non-adherence to the Government instructions, Inspection Allowance was paid without inspection of schools / achieving of requisite KPIs.

Payment of Inspection Allowance without inspection and achieving the requisite KPIs resulted in unauthorized payment of Rs 3.075 million to the AEOs concerned.

The matter was reported to the PAO and DDOs in August, 2020. In DAC meeting held in November, 2020, it was replied that efforts were being made for recovery.

DAC directed to effect recovery in consultation with DAO Chiniot within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends early recovery of Inspection Allowance amounting to Rs 3.075 million.

[AIR Paras: 22, 5]

### **8.3.9 Purchase of ECE kits in non-transparent manner – Rs 2.694 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.

Chief Executive Officer, DEA, Chiniot incurred expenditure of Rs 2.694 million on purchase of ECE kits for 42 schools during 2019-20. Audit observed that four suppliers participated in the bidding process but bids and evaluation reports of two suppliers were not kept on record. Neither item wise rates were invited nor the bids indicated specifications, rates and applicable GST on each item despite the fact that 46 items were purchased for each school. Further, technical evaluation was not carried out by the Technical Committee having one member from TEVTA and ECE kits were procured from the supplier whose technical bids for the same items were rejected in DEA Faisalabad. Furthermore, ECE kits of same specifications were procured by DEA, Toba Tek Singh @ Rs 45,786 each whereas DEA, Chiniot incurred expenditure @ Rs 64,200 each which indicated that excessive expenditure of Rs 0.773 million was also incurred due to non-transparent procurement process.

Due to weak internal controls and dereliction of duties, procurements were made in non-transparent manner.

Procurements costing Rs 2.694 million in non-transparent manner resulted in mis-procurement and excess expenditure of Rs 0.773 million.

The matter was reported to the PAO/ DDO concerned in August, 2020. In DAC meeting held in November, 2020, it was replied that as per guidelines, ECE kits were to be purchased as a whole and no item wise rates were required. District Manager TEVTA was requested to nominate representative but no response was received. The reply was not tenable because procurements were made in non-transparent manner and that too from the supplier whose technical bids were rejected in DEA, Faisalabad.

DAC directed to probe the matter and submit detailed report supported with documentary evidence. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault and recovery of loss from the concerned.

[AIR Para: 19]

### **8.3.10 Irregular expenditure due to unauthorized regularization of service of AEO – Rs 2.560 million**

According to Para 1 of Government of the Punjab, School Education Department's Notification No. SO(SE-III)2-16/2017(P-V) dated 07.08.2015, the Chief Minister, Punjab in exercise of powers conferred upon him by rule 23 of the Punjab Civil Service (Appointment and Conditions of Service) Rules 1974, is pleased to regularize the services of ESE, SESE, SSE, recruited on contract basis under the provisions of the Recruitment Policy, 2011.

Audit observed that an employee of Deputy District Education Officer (EE-M), Chiniot joined the department on 02.04.2012 as SSE (English) on contract basis. Thereafter, he applied for the post of AEO and was selected as AEO on 20.07.2016 on contract basis. Later on, the then Executive District Officer (Education), Chiniot regularized his service as SSE (English) on 16.12.2016 without considering the fact that he had left previous job as SSE (English) and joined as AEO w.e.f. 20.07.2016 and was working on contract basis. He also submitted his joining as "Assistant Education Officer (as SST-English)" on 16.12.2016 to obtain benefits of regularization and inadmissible Charge Allowance @ Rs 1,000 per month. Hence,

irregular expenditure of Rs 2.560 million was incurred due to unauthorized regularization of his services.

Due to dereliction of duties, service of employee was regularized in unauthorized manner.

Unauthorized regularization of service of employee resulted in irregular expenditure on pay and allowances amounting to Rs 2.560 million.

The matter was reported to the PAO and DDO in August, 2020. In DAC meeting held in November, 2020, it was replied that service of the AEO was regularized as per policy letter No. SO(SE-IV)2-20/2015 dated 01.20.2016, issued by the School Education Department. The reply was not tenable as policy letter dated 01.02.2016 was not produced for verification / review by Audit.

DAC directed to get the matter regularized from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault.

[AIR Para: 05]

### **8.3.11 Irregular expenditure on non-schedule items – Rs 2.061 million**

According to Government of the Punjab, Finance Department's instructions issued vide No.RO(Tech)FD-18-23/2004 dated 21.09.2004, rate analysis for the non-standardized items shall be prepared by the Executive Engineer, clearly giving the specifications of the material used and approved by the Competent Authority not below the rank of Superintending Engineer on the basis of input rates of relevant quarter placed at website of Finance Department and rates shall not be more than the market rates. The Chief Engineers on the basis of these inputs rates shall fix the rate of each item of the work for rough cost estimate for administrative approval and detailed estimate for technical sanction in accordance with Notification No.RO(TECH)FD.2-3/2004 dated 02.08.2004.

Chief Executive Officer, DEA, Chiniot got executed four development schemes pertaining to upgradation of school buildings during 2018-20. Estimates

and execution of the works included non-schedule items i.e. fair face gutka, street light poles, terrace railing, electric panel boards etc. costing Rs 2.061 million. Contrary to the above, the non-schedule items were executed in works without preparation and approval of rate analysis from the Competent Authority. (Annexure-C/CHN)

Due to negligence, rates analysis of non-schedule items was not prepared/got approved.

Execution of non-schedule items without preparation/approval of rate analysis resulted in irregular payment of Rs 2.061 million.

The matter was reported to the PAO/ DDO concerned in August, 2020. In DAC meeting held in November, 2020, it was replied that CEO office had no mechanism to check quality and quantity of civil work. No Sub Engineer / Technical persons were available in DEA Chiniot and bills were submitted by Executive Engineer Buildings through Sub Engineer and after verification of civil work done by concerned DEO bills were signed by the CEO, DEA, Chiniot. The reply was not tenable because non-scheduled items were executed without preparation and approval of analysis of rates.

DAC directed to refer the matter to Executive Engineer Buildings to justify the matter. No progress was intimated to Audit 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: 06]

### **8.3.12 Overpayment to suppliers due to non/less deduction of taxes – Rs 1.570 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 various primary/elementary schools working under administrative control of four DDOs of DEA, Chiniot made payments to different suppliers and service providers against supply of goods and rendering of services during 2018-20. Contrary to the above provisions, Income Tax, Punjab Sales Tax on Services and General Sales Tax amounting to Rs 1.570 million were not/less deducted from the claims of suppliers besides payment of GST on exempted supplies. The details are given below:

(Rupees in million)

Sr. No.	DDOs	PST	GST	I. Tax	Total
1	Deputy DEO (EE-M) Chiniot	0.016	0.141	0.098	0.255
2	Deputy DEO (EE-W) Chiniot	0.063	0.174	0.179	0.416
3	Deputy DEO (EE-W) Bhowana	0	0	0.119	0.119
4	Deputy DEO (EE-W) Lalian	0.299	0	0	0.299
		0	0.481	0	0.481
<b>Total</b>		<b>0.378</b>	<b>0.796</b>	<b>0.396</b>	<b>1.570</b>

Due to weak internal and financial controls, Income Tax, Sales Tax on Services and General Sales Tax were not / less deducted.

Non / less-deduction of taxes resulted in excess payments of Rs 1.570 million to the suppliers'/service providers.

The matter was reported to the PAO and DDOs concerned during August, 2020. In DAC meeting held in November, 2020, it was replied that efforts were being made to effect recovery.

DAC directed to effect recovery of overpaid taxes from the concerned within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends early recovery of Rs 1.570 million from the concerned and depositing the same into Government Treasury.

[AIR Paras: 11, 8, 9, 2, 3]

### **8.3.13 Overpayment due to non-fixation of pay after regularization of services – Rs 1.187 million**

According to Government of the Punjab, Services & General Administration Department (S&GAD) letter No.(O&M)S&GAD)5-3/2013 dated 01.03.2013 read with letter of even No. dated 19.08.2013, pay of contract employees upon regularization of their services be fixed at initial of the respective pay scales and increment already earned by them during contract appointment period shall be converted into Personal Allowance. Payment of Social Security Benefit (SSB) would also be discontinued after regularization of services.

Services of 38 employees working under the administrative control of four Deputy DEOs of DEA, Chiniot were regularized during 2013-20. However, their pay was not fixed at initial of their respective pay scales as fresh appointees after regularization of their services and excess payment of Rs 1.187 million on account of Basic Pay, SSB and adhoc allowances was made to them. The details are as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Employees</b>	<b>Amount</b>
1	Dy DEO (EE-M) Chiniot	01	0.152
2	Dy DEO (EE-W) Chiniot	01	0.216
3	Dy DEO (EE-W) Bhowana	19	0.540
4	Dy DEO (EE-W) Lalian	17	0.279
	<b>Total</b>	<b>38</b>	<b>1.187</b>

Due to weak internal controls, pay was not fixed after regularization of services.

Non-fixation of pay resulted in excess payment of Rs 1.187 million to the employees concerned.



The matter was reported to the PAO and DDOs concerned in August, 2020. In DAC meeting held in November, 2020, it was replied that efforts were being made to effect recovery.

DAC directed to effect recovery within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of overpaid pay and allowances amounting to Rs 1.187 million from the employees concerned.

[AIR Paras: 7, 10, 6, 5]

## **8.4 Value for Money and Service Delivery Issues**

### **8.4.1 Irregular creation of liabilities and expenditure beyond financial resources – Rs 60.065 million**

According to Rule 5(2)(h&i) of the Punjab District Authorities (Budget) Rules, 2017, the head of office and institution shall be responsible for ensuring that the total expenditure is kept within the limits of authorized appropriation and the funds allotted shall be spent on the activities for which they were provided. Furthermore, according to Rule 17.18 of the Punjab Financial Rules, Volume-I, under no circumstances may charges incurred be allowed to stand over to be paid from the grant of another year [vide Rule 2.10 (b)(3)].

Audit observed that an amount of Rs 60.065 million on account of financial assistance, LPR, POL etc. was payable by the CEO, DEA, Chiniot till the close of F.Y. 2019-20. However, closing cash balance of local fund of DEA, Chiniot was only Rs 3.790 million which indicated shortfall of Rs 56.275 million. Hence, irregular expenditure was incurred by creating liabilities to be paid from the budget allocation for F.Y. 2020-21.

Due weak financial management and defective budgeting, expenditure was incurred beyond the allocated budget.

Incurance of expenditure beyond available financial resources resulted in irregular creation of liabilities amounting to Rs 60.065 million.

The matter was reported to the PAO / DDO in August, 2020. In DAC meeting held in November, 2020, it was replied that due to deficient budgetary allocation through PFC Award from the Finance Department, liabilities were created during F.Y. 2019-20. However, outstanding claims would be cleared from the current year budgetary allocations. The reply was not tenable because liabilities were created due to defective budgeting.

DAC directed 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) at fault besides regularization of expenditure from the Competent Authority.

[AIR Para: 18]

#### **8.4.2 Non-recovery of penalty due to non-completion of development schemes – Rs 4.492 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, Chiniot got executed four works costing Rs 44.912 million for up-gradation of existing school buildings during 2018-20. However, contractors failed to complete the works within stipulated period provided in the work orders. Contrary to the above, CEO, DEA did not make efforts for timely completion of these schemes and getting the penalty amounting to Rs 4.492 imposed for delay in completion of schemes. The details are given below:

(Rupees in million)

Sr. No.	Name of Work	Work Order No. & Date	Stipulated Completion Date	Actual Completion Date	Work Order Amount	Penalty Amount
1	Upgradation of Government Girls High School Kandiwal to Higher Secondary Level	435/CH dated 28.02.2018	27.02.2019	Incomplete till July 2020	11.080	1.108
2	Upgradation of Government Girls High School Thatti Bala Raja to Higher Secondary Level	436/CH dated 28.02.2018	27.02.2019	Incomplete till July 2020	11.317	1.132
3	Upgradation of Government Girls High School Kalowal to Higher Secondary Level	437/CH dated 28.02.2018	27.02.2019	Incomplete till July 2020	11.317	1.132
4	Upgradation of Government Girls High School Kalri to Higher Secondary Level	438/CH dated 28.02.2018	27.02.2019	Incomplete till July 2020	11.198	1.120
<b>Total</b>					<b>44.912</b>	<b>4.492</b>

Due to weak internal controls and poor monitoring mechanism, penalty was not imposed for delay in completion of works.

Non-imposition of penalty resulted in loss of Rs 4.492 million to the Government exchequer besides non-completion of works.

The matter was reported to the PAO/ DDO in August, 2020. In DAC meeting held in November, 2020, it was replied that two buildings were completed and handed over and efforts were being made to get remaining buildings completed soon. The reply was not tenable because penalty was not imposed and recovered for delay in completion of schemes.

DAC directed to impose and effect recovery of penalty from the contractors concerned. No progress was intimated to Audit till finalization of this Report.

Audit recommends imposition and recovery of penalty amounting to Rs 4.492 million from the concerned besides early completion of schemes.

[AIR Para: 03]

#### **8.4.3 Unauthorized depositing of public funds in commercial bank – Rs 3.491 million**

According to Para 2(II), of Government of the Punjab, Finance Department letter No.FD.SO(GOODS)44-4/2016 dated 01.08.2018, parking of public funds provided by Provincial Government from its budgetary allocation in the commercial bank accounts of Companies, Authorities, Autonomous Bodies, etc. shall not be allowed.

Audit observed that funds amounting to Rs 3.177 million were returned by the Executive Engineer, Buildings Division, Chiniot from the savings of development schemes for the F.Y. 2019-20. However, Chief Executive Officer, District Education Authority (DEA), Chiniot deposited these funds in a commercial bank bearing account No. 4008643165, maintained in the name of ex-employee at National Bank of Pakistan, Shahrah-e-Quaid-e-Azam Branch, Chiniot (Branch Code 319) instead of depositing the same in the District Education Authority Account-V. Further, an amount of Rs 0.314 million was also found lying in that bank account as opening balance. Hence, funds amounting to Rs 3.491 million were

kept out of local fund of the District Authority and illegally parked in the commercial bank account.

Due to weak financial management, public funds were parked in a commercial bank account.

Parking of public funds amounting to Rs 3.491 million in the commercial bank account instead of depositing the same into Account-V of DEA, resulted in blockage of public resources and violation of the Government instructions.

The matter was reported to the PAO/ DDO in August, 2020. In DAC meeting held in November, 2020, it was replied that amount of Rs 3.177 million was placed in the bank account for onward disbursement to the contractor who executed development scheme and remaining amount of Rs 0.314 million was disbursable to the pensioners on account of arrear of pensionary benefits. The reply was not tenable because funds of the DEA were kept out of DEA Account-V. Furthermore, the DDO reply regarding depositing the public funds in commercial account for further payment to contractors indicated that attempt was made for direct withdrawal of funds from commercial bank account to avoid the prescribed procedure and pre-audit function.

DAC directed to probe the matter besides depositing the receipt in Account-V of DEA. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides depositing the amount in Account-V of DEA, Chiniot and fixing responsibility on the person(s) at fault.

Audit recommends to deposit funds in Account-V and probe the matter besides fixing responsibility on the person(s) at fault.

[AIR Para: 07]

## 8.5 Others

### 8.5.1 Utilization of bricks without ensuring standard specifications and testing – Rs 7.810 million

According to the Composite Schedule Rates (CSR)-1964, standard crushing strength for 1st class bricks is 2,000 pounds per square inch (PSI). Further, according to Superintending Engineer, Provincial Buildings Circle, Faisalabad letter No.1848-49 dated 20.06.2015, the brick kiln owners mix the 1<sup>st</sup> 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 2,000 PSI.

Audit observed that CEO, DEA, Chiniot made payments against four civil works for upgradation of high schools to higher secondary level during 2018-20 wherein 83,838 bricks costing Rs 7.810 million were used but no reliable methodology was adopted to measure strength, standard and specification of the bricks utilized. In absence of testing of bricks at the time of execution, the authenticity of utilization of 1<sup>st</sup> class bricks could not be ensured. The details are as under:

(Rupees in million)

Sr. No	Name of Scheme	Quantity of Pacca Brick Work (Cft)	No. of Bricks	Amount
1	Upgradation of Govt. Girls High School Thatti Bala Raja to Higher Secondary Level	21,090	284,715	1.965
2	Upgradation of Govt. Girls High School Kalri to Higher Secondary Level	22,622	305,397	2.107
3	Upgradation of Govt. Girls High School Kandiwal to Higher Secondary Level	22,288	300,888	2.076
4	Upgradation of Govt. Girls High School Kalowal to Higher Secondary Level	17,838	240,813	1.662
<b>Total</b>		<b>83,838</b>	<b>1,131,813</b>	<b>7.810</b>

Due to poor monitoring mechanism, works were executed without observing specifications and testing of bricks.

Utilization of bricks costing Rs 7.810 million without ensuring required strength, quality and standard resulted in execution of sub-standard works.

The matter was reported to the PAO/ DDO in August, 2020. In DAC meeting held in November, 2020, it was replied that existing nomenclature for examination and checking of civil work was unavailable because the engineering wing of Authority was still not functionalized.

DAC directed to refer the matter to Executive Engineer Building to justify the matter. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault and regularization of expenditure from the Competent Authority.

[AIR Para: 10]

### **8.5.2 Irregular cash withdrawals from DDO Bank Account – Rs 5.523 million**

According to Rule 4 of the Punjab District Authorities (Accounts) Rules, 2017, payments exceeding Rs 1,000 from local fund shall be made through crossed, non-negotiable cheque and payment of salary shall be made through direct credited system (DCS) in the respective bank accounts of the employees.

Contrary to the above, Chief Executive Officer, District Education Authority, Chiniot withdrew cash amounting to Rs 5.523 million from DDO bank account through eight cheques during 2019-20 beyond permissible limit of Rs 1,000 for each payment. The details are as under:

(Rupees in million)

<b>Sr. No.</b>	<b>Cheque No.</b>	<b>Date</b>	<b>Amount</b>
1	801485	20.08.2019	1.299
2	801486	23.11.2019	0.320
3	801489	31.12.2019	1.405
4	801493	29.04.2020	1.359
5	801496	15.05.2020	0.360
6	801494	21.05.2020	0.610
7	801498	28.05.2020	0.148
8	801500	15.06.2020	0.022
<b>Total</b>			<b>5.523</b>

Due to weak financial controls, funds were drawn in cash instead of making payments through crossed cheques.

Withdrawal of funds in cash beyond permissible limits resulted in irregular transactions of Rs 5.523 million besides enhancing the chances of misuse of public resources.

The matter was reported to the PAO and DDO concerned in August, 2020. In DAC meeting held in November, 2020, it was replied that all cheques were drawn for further disbursement to the respective payees / institutions and paid receipt vouchers were available for perusal. The reply was not tenable because payments were made in cash instead of crossed cheques.

DAC directed to probe the matter and submit detailed report within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault and regularization of the matter from the Competent Authority.

[AIR Paras: 11]

### **8.5.3 Unauthentic expenditure on development works – Rs 4.728 million**

According to Rule 35 & 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 design and estimates has been accorded by a sanctioning authority, funds has been provided in the budget. The 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 of accounts. The bills shall be signed by the contractor, engineer in-charge and the sanctioning authority.

Chief Executive Officer, District Education Authority (DEA), Chiniot incurred expenditure of Rs 4.728 million on execution of works through Executive



Engineer Buildings Divisions, Chiniot during 2019-20. Audit observed that cash book for development activity, scheme wise record regarding administrative approval, budget allocation, expenditure incurred, physical progress, detailed designs, technical estimates, vouchers, measurement books, satisfactory completion reports, register of security deposits and other essential record was not maintained by the CEO.

Due to weak internal controls and poor monitoring mechanism, funds were drawn without maintaining proper record besides non-monitoring of actual execution of works at sites.

Drawl of funds amounting to Rs 4.728 million without maintaining requisite record and without devising internal controls / monitoring mechanism resulted in unauthentic expenditure from A/C-V of DEA.

The matter was reported to the PAO/ DDO in August, 2020. In DAC meeting held in November, 2020, it was replied that according to policy letter No. AC-11/6-23/Vol-XIV/160 dated 14.07.2007, relevant record may be checked in the office of Executive Engineer buildings / executing agency who maintained the record. The reply was not tenable because cheques were drawn from development account of CEO, DEA on bill to bill basis but paid vouchers, Measurement Books, cash book and all the subsidiary documents were not kept in record.

DAC directed to get the matter regularized from Competent Authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault and regularization of expenditure from the Competent Authority.

[AIR Para: 08]

#### **8.5.4 Unlawful conduct of business of District Education Authority**

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended upto 30.06.2018), 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 two years. 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, Chiniot continued to hold the office as Administrator and exercised the powers of the District Education Authority (DEA), Chiniot, beyond lawful tenure of two years which was expired on 31.12.2018. Therefore, conduct of business of the Education Authority, Chiniot including approval/authentication of budget amounting to Rs 3,695.912 million and incurrence of expenditure of Rs 3,321.780 million during 2019-20 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 by the executive.

Due to negligence, business of the District Education Authority was run by Deputy Commissioner beyond lawful tenure of two years.

Exercising the powers of the House by the Deputy Commissioner beyond two years resulted in unlawful authentication / approval of budget and incurrence of expenditure of Rs 3,321.780 million besides unlawful conduct of business of District Education Authority.

The matter was reported to the PAO / DDO in August, 2020. In DAC meeting held in November, 2020, it was replied that Deputy Commissioner was functioning as administrator of the DEA and authenticating annual budgetary allocation as per policy / practice invoke. The reply was not tenable because the tenure of DC acting as Administrator had already been expired since 31.12.2018.

DAC directed to get the matter regularized from Competent Authority. No progress was intimated to Audit till finalization of this Report. vogue

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

[AIR Para: 30]

## **9. District Education Authority (DEA) Faisalabad**

### **CHAPTER 9.1**

#### **Public Financial Management Issues**

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Faisalabad on annual basis.

#### **Sectoral Analysis**

##### **a) 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 2019-20.

- i. Understatement / misrepresentation of receipts – Rs 6.746 million
- ii. Unauthorized utilization of Public Account Fund - Rs 626.739 million
- iii. Unauthorized withdrawal of Conveyance Allowance – Rs 85.867 million
- iv. Excess payment of pay and allowances due to wrong fixation of pay – Rs 10.560 million
- v. Unauthorized payment of Inspection Allowance during lockdown – Rs 6.817 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 Auditor's Report of DEA, Faisalabad as emphasis of matter.

##### **b) 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 2019-20. These indicators were introduced, implemented and monitored through PMIU (Programme Monitoring & Implementation 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 for the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Quality Indicators Literacy & Numeracy Drive (LND) Test Results	LND	82.00	81.09	Not Achieved
Core Indicators	Student Attendance	92.00	94.25	Achieved
	Teacher Presence	90.00	94.53	Achieved
	Head Teacher Presence	90.00	95.37	Achieved
	Availability of Boundary Wall	98.00	98.01	Achieved
	Availability of Drinking Water	95.00	99.47	Achieved
	Availability of Furniture	70.00	94.98	Achieved
	Classroom Observation	80.00	91.73	Achieved
Retention Indicators	Retention (K-12)	97.00	98.39	Achieved
Infrastructure Indicators	Safe Buildings	98.00	98.00	Achieved
	NSB Timelines	90.00	N/A	Not Clear
	NSB Utilizations	90.00	95.38	Achieved
	Data Health	90.00	93.98	Achieved
	Sufficiency of Toilet	55.10	94.12	Achieved
Monitoring & Management Indicators	School Hygiene	80.00	87.94	Achieved
	Partial Facility	1.00	1.02	Achieved
	On time Resolution	90.00	100.00	Achieved

(Source: Data retrieved from PMIU Data Pack)

From the data analysis of DEA, Faisalabad, it was observed that DEA achieved its overall targets regarding teacher attendance, students' attendance / retention 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 remained unclear. It is pertinent to mention here that some schools still

lacked boundary walls and class room facilities, which are basic requirements. It was observed that development funds amounting to Rs 117.155 million were not utilized and lapsed during the financial year. These core indicators were not achieved which means 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 below:

### **Detail of Missing Facilities in Public Sector Schools**

(Figures in Numbers)

<b>Category of Missing Facility</b>	<b>Description</b>	<b>Length of B/Wall / No. of C/Rooms</b>	<b>No. of Schools</b>
Missing Boundary Wall	Schools without partial or entire Boundary Wall (B/Wall)	183,924 Rft	200
Missing Class Rooms	Schools having Dangerous Class Rooms (C/Rooms)	263 C/Rooms	96
	Schools facing shortage of Class Rooms	619 C/Rooms	235

(Source: Data provided by CEO, DEA Faisalabad)

There are 200 schools with missing boundary walls measuring 183,924 Rft which required estimated funds of Rs 680.557 million to complete. There are 96 schools having 263 dangerous classrooms and estimated funds of Rs 420.800 million are required for repair of these classrooms. Further, 235 schools required 619 additional classrooms with estimated cost of Rs 838.200 million. This portrays a gloomy picture for state of education in public sector in District Faisalabad.

#### **c) Serious Financial Irregularities and Findings:**

The compliance with authority audit has shown that overall financial management of DEA Faisalabad 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. Procedural Irregularities involving an amount of Rs 81.076 million were noticed in 10 cases.

- ii. Value for Money issues involving an amount of Rs 100.797 million were noticed in two cases.
- iii. Others irregularities involving an amount of Rs 8.347 million were noticed in three cases.
- iv. Issues related to Pension Payments involving an amount of Rs 109.186 million were noticed in three 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.

**Conclusion:**

The overall financial management regarding achievement of budget utilization was not satisfactory as more than 20% funds of Non-Development budget were lapsed while DEA could not utilize 48% 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 233.520 million were pointed out during audit of 2019-20.

The overall performance of DEA Faisalabad was also not up to the mark as the availability of boundary walls for all schools could not be ensured and 200 schools were without boundary walls. It was also noticed that Rs 117.156 million were lapsed during the year which could have been utilized to provide the missing facilities. The target of utilization of Non-Salary Budget was not achieved. Number of students were without basic facilities such as desks and tables, while many of schools were operating without class rooms and with partial facilities.

## AUDIT PARAS

### 9.1.1 Understatement / misrepresentation of receipts – Rs 6.746 million

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.

District Accounts Officer, Faisalabad 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. Further, there was also a difference between actually collected and amount reported in Financial Statements during current financial year (CFY). The details are given below:

(Rupees in million)					
Sr. No.	GL Account	GL Account Des.	Doc. Type	Amount Collected / Deducted in CFY	Amount Presented in Financial Statements of CFY
1	B01603	Deduction at Source (Professional Tax)	AB	(1.463)	3.283
2	B01132	Surcharge	AB	(0.009)	0.0002
3	B02385	Sales Tax on services (Punjab)	Misc.	(0.637)	3.463
<b>Total</b>				<b>(2.109)</b>	<b>6.746</b>

## **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.

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.

It was replied that currently no GL account under major head “G” is available for deduction of said receipts from the payments of District Education Authority. Therefore, said deductions were made under object codes mentioned in audit observation. The matter has been referred to Assistant General Accounts o/o The Accountant General Punjab Lahore for creations of new GL Accounts.

Audit stressed upon early compliance.

DAC directed DAO, Faisalabad to take up the matter with AG, Punjab for clarification / opening of new GL account for booking of receipts collected on behalf of Punjab Government in the light of instructions contained in MAP / APPM.

### **9.1.2 Unauthorized utilization of Public Account Fund – Rs 626.739 million**

According to Note 14.1 of Financial Statements for the year 2019-20, 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. Further, according to Section 100(3) of Punjab Local Government Act 2013, every local government shall maintain a Public Account to place all revenues received by the local government form the receipts accruing



from trusts administered or managed by the local government, refundable deposits received by the local government and deferred liabilities.

During financial attest audit on the accounts of DEA Faisalabad for 2019-20, it was observed that authority's closing cash balance as on 30.06.2020 was Rs 112.851 million while deferred liabilities (Public Account) balance was 739.590 million on same date, therefore an amount of Rs 626.739 (739.590-112.851) million was excess than available cash balance acceptable to pay liability. Details are as under:

(Rupees in million)

Sr. No.	GL Account	Description	Opening Balance / Previous Year's Receipt	Receipt during the year	Payment made during CFY	Balance not Transferred
1	G06103	General Provident Fund (Civil)	60.421	731.390	182.849	608.963
2	G06215	District Govt. Employee B.F	18.560	222.360	149.558	91.363
3	G06411	District Govt. Employee Insurance Fund	2.348	28.488	18.335	11.501
4	G10113	Public Works/Pakistan PWD Deposits	20.586	-	8.719	11.867
5	G11278	Contribution to GSHF from members	5.252	31.131	20.486	15.896
<b>Total</b>			<b>107.167</b>	<b>1,013.369</b>	<b>379.947</b>	<b>739.590</b>

Non-availability of cash balance to pay outstanding payable amount resulted unauthorized utilization public account funds which badly hurts authority's trustworthiness.

Audit recommends justification for non-availability of cash balance.

It was replied that the balances under these heads could not be transferred due to insufficient cash balance in Account-V of DEA, Faisalabad during 2019-20. Now some portion under these heads have been transferred in current financial year. As it is primary responsibility of District Education Authority to arrange funds, therefore, Dy. Director District Education Authority, Faisalabad has been requested to arrange additional funds so that remaining amount may also be transferred to Account-I.

The reply was not tenable because closing cash balance as on 30.06.2020 was Rs 112.851 million while deferred liabilities (Public Account) balance was 739.590 million on same date, therefore an amount of Rs 626.739 (739.590-112.851) million was excess than available cash balance acceptable to pay liability.

DAC directed DAO, Faisalabad to take up the matter with authorities of DEA for arrangement of cash so that amount may be transferred at the earliest and report progress to Audit. DAC further recommended the para for settlement after verification of record.

### 9.1.3 Non transfer of receipt – Rs 727.722 million

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.

During Financial Attest Audit of District Education Authority, Faisalabad for the period 2019-20, it was observed that District Accounts Officer, Faisalabad collected different receipts on behalf of the Federal and Provincial Government against various GL Accounts during 2019-20. Scrutiny of the record revealed that the same were not transferred to the concerned Governments as compared to actual collection amount. The details are given below:

(Rupees in million)

Sr. No.	GL Account	Description	Opening Balance	Receipt during the year	Payment made during CFY	Balance not Transferred
2	G06103	General Provident Fund (Civil)	60.421	731.390	182.849	608.963
3	G06215	District Govt. Employee B.F	18.560	222.360	149.558	91.363
4	G06411	District Govt. Employee Insurance Fund	2.348	28.488	18.335	11.500
5	G11278	Contribution to GSHF from members	5.252	31.131	20.486	15.896
<b>Total</b>			<b>86.581</b>	<b>1,013.369</b>	<b>371.228</b>	<b>727.722</b>

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.

Audit recommends transfer of receipts to the governments concerned at the earliest.

The balances under these heads could not be transferred due to insufficient cash balance in Account-V of DEA, Faisalabad during 2019-20. Now the balance under these heads has been transferred in current financial year. Hence the Para may please be settled.

The reply was not tenable because proper record was not provided i.e. evidence of transferred amount reflected in relevant Accounts.

DAC directed DAO, Faisalabad to take up the matter with authorities of DEA for arrangement of cash so that amount may be transferred at the earliest and report progress to Audit. DAC further recommended the para for settlement after verification of record.

## CHAPTER 9.2

### 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 / Offices	No. of Formations
Chief Executive Officer (Education)	01	01
District Education Officer (Secondary)	01	01
District Education Officer (Elementary Male)	01	01
District Education Officer (Elementary Female)	01	01
District Education Officer (Literacy)	01	01
District Education Officer (Special Education)	01	01
Deputy District Education Officer (Secondary)	03	03
Deputy District Education Officers (Elementary Male)*	06	06
Deputy District Education Officers (Elementary Female)*	06	06
Higher Secondary Schools (Boys & Girls)	63	63
High Schools (Boys & Girls)	531	531
Special Education Schools / Centers	17	17
Elementary Schools	434	0
Primary Schools	1,181	0
<b>Total</b>	<b>2,247</b>	<b>632</b>

(\*Deputy DEOs are also the DDOs of Elementary & Primary Schools)

The following table shows detail of total & audited formations of DEA Faisalabad:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure Audited FY 2019-20	Revenue/Receipts Audited FY 2019-20
1	Formations	632	05	4,309.270	30.040
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 2019-20.

(Rupees in million)

2019-20	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Non-Development (Salary + Non-Salary)	21,916.432	17,390.112	-4,526.320	20.65%
Development	242.461	125.305	-117.156	48.32%
<b>Total</b>	<b>22,158.893</b>	<b>17,515.417</b>	<b>-4,643.476</b>	<b>20.96%</b>
<b>Receipts</b>	-	30.040	-	-

(Source: Appropriation Accounts 2019-20)

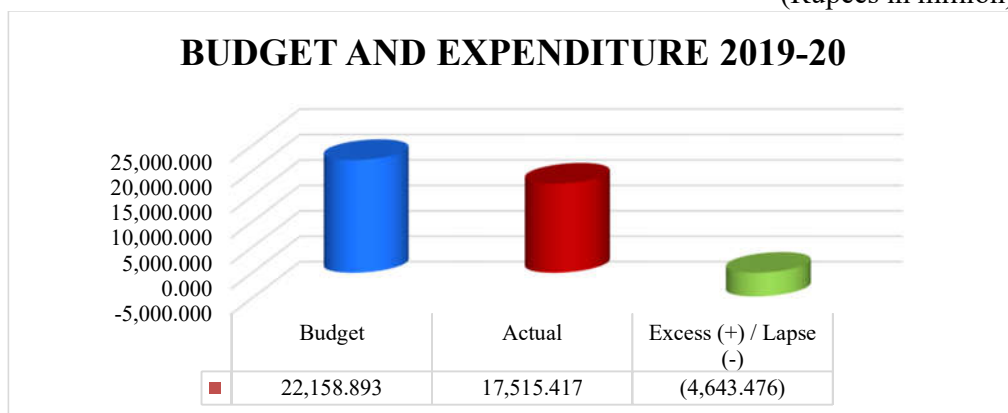
Analysis of budget and expenditure indicated that:

- a. An amount of Rs 22,158.893 million was provided for salary and non-salary expenditure. A massive lapse of Rs 4,643.476 million was observed, which accounts for 20.96% of the total budget.
- b. An amount of Rs 242.461 million was provided for development schemes, out of which an amount of Rs 125.305 million was utilized. The department did not utilize funds in a timely manner, resulting in a lapse of Rs 117.156 million i.e. 48.32%.

- 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 2019-20.

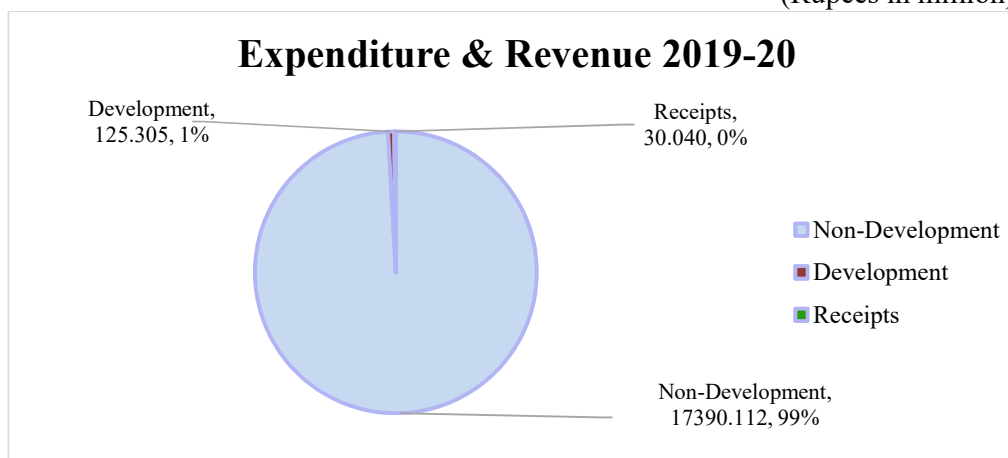
Graphical presentation of budget & expenditure is given below:

(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 190.220 million were raised as a result of this audit. This amount also includes recoverable of Rs 53.666 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	Procedural Irregularities	-
3A	HR/Employees related irregularities	29.314
3B	Procurement of related irregularities	51.762
3C	Management of Accounts with Commercial Banks	0
4	Values for money and service delivery issues	100.797
5	Others	8.347
	<b>Total</b>	<b>190.220</b>

### 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.

#### Status of Previous Audit Reports

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
3	2019-20	36	PAC not constituted

## AUDIT PARAS

### 9.3 Procedural Irregularities

#### 9.3.1 Appointment of teachers on bogus educational certificates – Rs 16.704 million

According to Condition 13(i) of the Appointment Letter, if at any stage Degrees, Certificates, Diploma, CNIC or Domicile is found bogus, contract shall be terminated to be void ab-initio and defaulter shall be liable to refund all amounts received from the Government.

Services of 13 Educators were terminated by District Education Officer (EE-W) and (EE-M), Faisalabad due to appointment of the employees on bogus educational certificates. Audit observed that pay and allowances amounting to Rs 16.704 million were paid to the said incumbents without verification of educational certificates and credentials by the DDOs concerned which needed to be recovered as per termination orders. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of Employees	Designation	Amount
1	Deputy District Education Officer (EE-W), Sadar, Faisalabad	8	Senior Elementary School Educator, Elementary School Educator	9.667
2	Deputy District Education Officer (EE-W), Jaranwala / CEO DEA, Faisalabad	4	Senior Elementary School Educator, Elementary School Educator, Primary School Teacher	5.364
3	Deputy District Education Officer (EE-M), Sadar, Faisalabad	1	Senior Elementary School Educator	1.673
<b>Total</b>		<b>13</b>		<b>16.704</b>

Due to negligence on the part of appointing authority / DDOs, employees were appointed on forged documents and allowed to draw salaries without prior verification of the credentials.

Appointment of Educators on bogus documents and payment of pay & allowances without verification of their credentials resulted in unauthorized payment amounting to Rs 16.704 million.



The matter was reported to the PAO and DDOs concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

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

[AIR Paras: 1, 2, 5, 7, 5]

### **9.3.2 Irregular expenditure on civil works without approval of design and specifications – Rs 15.067 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 68 schools working under the administrative control of four DDOs of DEA, Faisalabad incurred expenditure of Rs 15.067 million on construction of class rooms, soling, boundary walls, toilet blocks and repair of school buildings during 2018-20. However, civil 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)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Schools</b>	<b>Funds Utilized</b>
1	Deputy DEO (EE-M), Sadar	17	2.232
2	Deputy DEO (EE-W), Sadar	07	0.663
3	Deputy DEO (EE-M), Jaranwala	37	10.833
4	Deputy DEO (EE-W), Jaranwala	07	1.339
<b>Total</b>		<b>68</b>	<b>15.067</b>

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 15.067 million.

The matter was reported to the PAO and DDOs concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

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

[AIR Paras: 10, 4, 9, 6]

### 9.3.3 Irregular expenditure without tenders / quotations – Rs 13.880 million

According to Rule 12 of the Punjab Procurement Rules, 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. Procurements for more than one hundred thousand rupees and up to the limit of two million rupees shall be advertised 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 CEO DEA, Faisalabad and School Councils of 63 primary/elementary schools of DEA, Faisalabad incurred expenditure of Rs 13.880 million for purchase of furniture, white wash, civil work material etc. from local market during 2018-20. 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	CEO, DEA, Faisalabad	-	Purchase of stationary, printers and paint material	0.472
2	DDEO (EE-W), Jaranwala	16	Purchase of furniture and paint material	1.762
3	DDEO (EE-M), Jaranwala	34	Purchase of furniture, paint material and construction material	10.159
4	DDEO (EE-W), Sadar Faisalabad	06	Purchase of furniture, bricks and paint material	0.614
5	DDEO (EE-M), Sadar Faisalabad	07	Purchase of furniture	0.873
<b>Total</b>		<b>63</b>		<b>13.880</b>

Due to weak internal controls and poor monitoring mechanism, procurements were made without open competition.

Procurement without open competition resulted in mis-procurement and irregular expenditure of Rs 13.880 million.

The matter was reported to the PAO and DDOs concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

[AIR Paras: 4, 4, 8, 5, 9]

#### **9.3.4 Irregular procurement of I.T Equipment and Furniture – Rs 9.981 million**

According to Rule 4 and 63(b) 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. A procurement 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 Para 2 of Administrative Approval, the work shall be executed by the CEO, DEA Faisalabad. Furthermore, according to Para 3.6 & 4.6 (Page No.15 & 18), of Guidelines for Local Government Education Officials on Block Allocations and Programmes in ADP 2019-20, procurement will be made by Punjab Information Technology Board (PITB).

Government of the Punjab, School Education Department allocated funds of Rs 8.000 million for establishment of I.T. Labs in Elementary and High Schools and funds of Rs 2.000 million against Library Project-PARHAO to the CEO, DEA Faisalabad against which expenditure of Rs 9.981 million was incurred during 2019-20. The procurement was held irregular / unauthentic due to the following reasons:

- CDRs for Performance Security in favor of CEO, DEA were prepared on 07.02.2020 before Technical Bid opening on 08.02.2020 and Financial Bid opening on 03.03.2020.
- Procurement of “DELL” computers was made while technical bid of “ACER” was accepted. Further, the supplier was not authorized dealer for supply of “DELL” computers to end users.
- Procurement was made without entering into formal written agreement.
- Procurement was made without approval of revised PC-I from the District Development Committee.
- Procurement was made by CEO, DEA, Faisalabad instead of Punjab Information Technology Board (PITB).
- Procurement of furniture was made without entering into formal written agreement.
- CDR dated 01.06.2020 was shown to be used as Performance Security for supply of furniture whereas its covering letter date was 26.03.2020.
- Procurement of furniture was made from Hafiz Steel & Wood Furniture whereas in a letter the same had applied for return of CDR due to rejection of his bid.

Due to weak internal controls, procurement was made in non-transparent manner.

Procurement in non-transparent manner resulted in irregular procurement amounting to Rs 9.981 million.

The matter was reported to the PAO/DDO in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority and fixing responsibility on the person(s) at fault.

[AIR Para: 02]

### 9.3.5 Payment of inadmissible Conveyance Allowance – Rs 9.695 million

According to Government of the Punjab, Finance Department letter No. FD.PR-9-4/86(P) (PT.II)(PR) dated 21.08.2015, Conveyance Allowance is compensation to those employees who spend daily expenditure either to reach offices or back to home.

Audit observed that four DDOs of District Education Authority, Faisalabad made payment of Conveyance Allowance amounting to Rs 9.695 million to the employees without admissibility during summer vacation / closure of schools due to outbreak of COVID-19. The details are given below:

(Rupees in million)

Sr. No.	DDOs	No. of Employees	Amount
1	Deputy District Education Officer (EE-W), Jaranwala	1605	2.700
2	Deputy District Education Officer (EE-W), Sadar	1344	2.284
3	Deputy District Education Officer (EE-M), Sadar	1104	1.853
4	Deputy District Education Officer (EE-M), Jaranwala	1410	2.858
<b>Total</b>		<b>5463</b>	<b>9.695</b>

Due to poor financial management, payment of inadmissible Conveyance Allowance was made to the employees.

Payment of inadmissible Conveyance Allowance resulted in excess payment of Rs 9.695 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends recovery of excess paid Conveyance Allowance amounting to Rs 9.695 million from the employees concerned.

[AIR Paras: 3, 3, 1, 15]

### 9.3.6 Unauthentic expenditure due to non-maintenance of prescribed record – Rs 3.797 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 / immoveable 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 Chief Executive Officer, District Education Authority, Faisalabad and heads of various schools working under the administrative control of two Deputy DEOs incurred expenditure of Rs 3.797 million without maintenance of supporting record in violation of above referred rules. The details are as under:

(Rupees in million)			
Sr. No.	DDOs	Description	Amount
	CEO, DEA, Faisalabad	Expenditure was incurred on purchase of stationery, POL, repair of transport, printing and publication, cost of other stores and others without maintenance of record.	0.774
2.	Deputy DEO (EE-M), Jaranwala	1. Execution of civil work for raising of boundary wall was shown before purchase of material because payment of labour charges for raising of boundary wall shown on 16.01.2020 whereas purchase of material was shown on 23.01.2020.	0.440
		2. Drawl of funds without maintaining record such as school council meetings, cash book, vouchers, stock entries, consumption etc.	
3. Purchase of live plants and uniform was shown without mentioning names, quantities and rates of items purchased likewise repair of furniture was shown without mentioning name and no. of items repaired.			
		Funds drawn without actual receipt of desk benches and without recording stock entry in stock register etc.	0.098
3.	Deputy DEO (EE-M), Sadar	Drawl of funds for purchase of machinery, construction of boundary wall and soling without maintenance of record	0.333
		Payment of salaries through adjustments in payroll without supporting record	2.152
<b>Total</b>			<b>3.797</b>

Due to negligence and weak internal controls, supporting record of expenditure incurred was not maintained.

Non-maintenance of record of expenditure incurred amounting to Rs 3.797 million resulted in irregular / unauthentic expenditure.

The matter was reported to the PAO and DDOs concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault.

[AIR Paras: 11, 15, 17, 14, 14, 15]

### **9.3.7 Doubtful procurements through managed invoices – Rs 3.434 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 16 primary / elementary schools, under the administrative control of Deputy District Education Officer (EE-M), Jaranwala drew funds amounting to Rs 3.434 million from NSB through School Councils. However, funds were drawn by using fake / managed invoices and most of the invoices for different months were prepared in one sitting in consecutive serial numbers. **(Annexure-D/FSD)**

Due to prevalence of financial indiscipline, procurements were shown to be made by using fake / managed invoices.

withdrawal of funds amounting to Rs 3.434 million by using fake / managed invoices and without actual procurements from the so called supplier created doubts about the genuineness of the expenditure incurred.

The matter was reported to the PAO and DDO concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends investigation of the matter besides assessing the business volume of the vendors and referring the case to FBR.

[AIR Para: 06]

### **9.3.8 Non-competitive procurement by using managed quotations – Rs 2.938 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 Punjab Procurement Rules, 2014, 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.

Head teachers of 15 elementary / primary schools under the administrative control of Deputy DEO (EE-M), Jaranwala made procurement of furniture and white wash / construction material costing Rs 2.938 million from different suppliers/ contractors during 2018-20. However, procurement was made by using managed 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.



Due to poor management and dereliction of duties, procurements were made through managed quotations.

Execution of works and procurement through managed quotations resulted in non-competitive procurement amounting to Rs 2.938 million.

The matter was reported to the PAO and DDO concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends inquiry of the matter for fixing responsibility on the person(s) at fault besides regularization of expenditure from the Competent Authority.

[AIR Paras: 3, 5]

### **9.3.9 Unauthorized payment of pay and allowances without entitlement Rs 2.915 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 Para 2 of Government of the Punjab, Finance Department letter No.FD.SR.I.9-4/86(P0(PR) dated 21.04.2014, the officers who are availing Government vehicles including bikes (sanctioned/pool) are not entitled to the facility of Conveyance Allowance, w.e.f. 01.03.2014.

Audit observed that five DDOs of District Education Authority, Faisalabad made excess payment of pay and allowances amounting to Rs 2.915 million to 49 employees due to payment of pay and allowances after resignation / termination / retirement from service, non-deduction of inadmissible Conveyance Allowance and payment on account of inadmissible House Rent / Charge Allowance. The details are given on the next page.

(Rupees in million)

Sr. No.	Name of DDO / Office	Description	No. of Employees	Amount
1	Chief Executive Officer, District Education Authority, Faisalabad	Unauthorized drawl of conveyance allowance	01	0.020
2	Deputy DEO (EE-W), Jaranwala	Overpayment of salary after termination of services	02	0.248
		Excess drawl of house rent allowance	09	0.026
		Withdrawal of pay and allowances during absent period	01	0.073
3	Deputy DEO (EE-W), Sadar Faisalabad	Overpayment of salary after termination of services	06	0.176
		Payment after resignation from service	02	0.072
		Payment of inadmissible allowances	02	0.001
4	Deputy DEO (EE-M), Sadar Faisalabad	Unauthorized payment of pay and allowances during absent period	01	0.085
		Payment of pay and allowances after retirement from service	04	0.115
		Loss due to delay in termination of contract	01	0.596
5	Deputy DEO (EE-M), Jaranwala	Overpayment of salaries after leaving the job	03	0.232
		Overpayment after regularization of contract services	12	1.199
		Excess payment of pay and allowances	05	0.072
<b>Total</b>			<b>49</b>	<b>2.915</b>

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 amounting to Rs 2.915 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends recovery of excess paid amount of Rs 2.915 million at the earliest from the employees concerned.

[AIR Paras: 10, 8, 12, 14, 6, 7, 9, 2, 3, 8, 1, 2, 16]

### **9.3.10 Irregular procurement of ECE Kits – Rs 2.665 million**

According to Rule 4 & 12 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. 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.

Government of the Punjab, School Education Department provided funds of Rs 2.700 million to CEO, DEA Faisalabad for procurement of infrastructure for Early Childhood Education (ECE) during 2019-20. Audit observed that two attempts were made by the CEO, DEA Faisalabad for procurement of ECE kits but both the times technical bids were rejected. Subsequently, these kits were procured for Rs 2.665 million from the bidder whose bids were rejected for both the times by showing procurement through School Councils to avoid technical scrutiny of ECE kits.

Due to connivance of education authorities with the supplier, procurement was made from the bidder whose technical bids were rejected twice.

Procurements of ECE kits costing Rs 2.665 million from supplier whose technical bids were rejected twice resulted in substandard procurements without scrutiny / inspection by the technical scrutiny committee.

The matter was reported to the PAO in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault.

[AIR Para: 01]

## **9.4 Value for Money and Service Delivery Issues**

### **9.4.1 Unauthorized retention of public money in DDO account – Rs 63.198 million**

According to Rule 2.10(3) and 2.10(5) of PFR Vol-1, all inevitable payments are ascertained and liquidated at the earliest possible date and no money would be withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance. Furthermore, according to Para 2(II) of Government of the Punjab, Finance Department letter No.FD.SO(GOODS) 44-4/2016 dated 09.08.2019, unnecessary parking of public funds provided by the Provincial Government from its budgetary allocation in the commercial bank account of Companies, Authorities, Autonomous Bodies etc. shall not be allowed. Finance Department will release funds to such entities in relevant Special Drawing Accounts (SDAs) or through normal release mode. These funds will be further transferred from SDAs into commercial bank accounts of such entities as per Cash flow requirements of entities to avoid un-necessary parking of funds.

Audit observed that three DDOs of DEA, Faisalabad withdrew funds amounting to Rs 16.272 million from Government treasury during 2019-20 but the same were not disbursed to the concerned claimants till June 2020. Further, School Education Department issued cheque of SDA account amounting to Rs 46.926 million in favour of CEO, DEA, Faisalabad for onward transfer to 10 schools for development work as advance drawl of funds. These funds were parked in School Councils' commercial bank accounts in violation of financial rules, instructions of Finance Department and terms and conditions of Special Drawing Account. Furthermore, tender process was held at PMIU, Lahore and audit trail could not be established due to parking of record at different levels. DDO wise details of funds parked in commercial bank accounts, are given on the next page:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Chief Executive Officer, District Education Authority, Faisalabad	46.926
2	Deputy DEO (EE-W), Jaranwala	9.528
3	Deputy DEO (EE-W), Sadar Faisalabad	3.584
4	Deputy DEO (EE-M), Sadar Faisalabad	3.160
<b>Total</b>		<b>63.198</b>

Due to poor financial management, funds were drawn from the Government treasury excess than requirement for immediate disbursement.

Drawl of fund excess than requirement for immediate disbursement resulted in unauthorized retention of public money of Rs 63.198 million in violation of rules.

The matter was reported to the PAO and DDOs concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault and regularization of the matter from the Competent Authority.

[AIR Paras: 17, 1, 2, 6]

#### **9.4.2 Unauthorized utilization of Public Account Fund – Rs 37.599 million**

According to Note 14.1 of the Financial Statements of DEA, Faisalabad for the financial year 2019-20, the Public Account consists of the 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. Furthermore, according to Section 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 receipts accruing from trusts administered or managed by the local government, refundable deposits received by the local Government and deferred liabilities.

Audit observed from the scrutiny of Financial Statements of DEA, Faisalabad for the year 2019-20, that Public Account balance as on 30.06.2020 was Rs 150.450 million whereas closing cash balance on the same date was Rs 112.851 million which reflected that Public Account Funds amounting to Rs 37.599 million were utilized by the CEO, DEA for its routine operations in violation of the Act.

Due to poor financial management, separate Public Account was not maintained and Public Account funds were utilized for routine operations of DEA.

Non-maintenance of Public Account resulted in unauthorized utilization of Public Account funds amounting to Rs 37.599 million for routine operations of DEA.

The matter was reported to the PAO in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends to probe the matter besides its regularization from the Competent Authority.

[AIR Para: 08]

## 9.5 Others

### 9.5.1 Non-deduction of taxes – Rs 4.574 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 1/5<sup>th</sup> (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.

School Councils of 139 primary / elementary schools under the administrative control of four Deputy DEOs of DEA, Faisalabad made payments against supply of goods, rendering of services and execution of contracts during 2018-20. Contrary to the above provisions, an amount of Rs 4.345 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not / less deducted before making payment to the suppliers / service providers. Further, an amount of Rs 0.229 million on account of GST was either paid on exempted supplies or unregistered suppliers issued GST invoices. The details are given below:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Income Tax	GST	Sales Tax on Services	GST on Exempted Supplies	Total Amount
1	Deputy DEO (EE-W), Jaranwala	28	0.143	0	0.007	0	0.150
		17	0.042	0	0.079	0	0.121
2	Deputy DEO (EE-W), Sadar	04	0	0	0	0.038	0.038
3	Deputy DEO (EE-M), Sadar	13	0	0	0	0.096	0.096
4	Deputy DEO (EE-M), Jaranwala	03	0.111	0	0	0	0.111
		52	2.237	0.900	0.826	0	3.963
		22	0	0	0	0.095	0.095
<b>Total</b>		<b>139</b>	<b>2.533</b>	<b>0.900</b>	<b>0.912</b>	<b>0.229</b>	<b>4.574</b>



Due to weak internal controls, taxes were not deducted / withheld at specified rates before making payments to suppliers / service providers.

Non-deduction of taxes at specified rates resulted in excess payment of Rs 4.574 million to the suppliers / service providers / contractors concerned.

The matter was reported to the PAO and DDOs concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends recovery of taxes amounting to Rs 4.574 million from the concerned at the earliest.

[AIR Paras: 11, 13, 8, 11, 4, 7, 10]

### 9.5.2 Non-submission of GST Returns – Rs 3.773 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 15<sup>th</sup> 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 66 schools, under the administrative control of two Deputy DEOs of DEA, Faisalabad made procurements from different suppliers. Purchasing authorities, being withholding agent, deducted 1/5<sup>th</sup> of Sales Tax but did not submit monthly returns to the FBR. Resultantly, deposit of remaining 4/5<sup>th</sup> of GST amounting to Rs 3.773 million, by the suppliers, could not be verified by the Sales Tax Department. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Description	No. of Schools	Amount
1	Deputy DEO (EE-M), Jaranwala	White wash material, furniture, building material, etc.	55	3.559
2	Deputy DEO (EE-W), Jaranwala		11	0.214
<b>Total</b>			<b>66</b>	<b>3.773</b>

Due to negligence, monthly returns of GST were not submitted.

Non-submission of monthly returns might result in concealment of 4/5<sup>th</sup> GST amounting to Rs 3.773 million by the suppliers.

The matter was reported to the PAO and DDOs concerned in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends verification of deposit of 4/5<sup>th</sup> of GST by the suppliers.

[AIR Paras: 18, 9]

### **9.5.3 Unlawful conduct of business of District Education Authority**

According to Section 30(3) of the Punjab Local Government Act, 2013 (as amended upto 30.06.2018), 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 two years. 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, Faisalabad continued to hold the office as Administrator and exercised the powers of the District Education Authority (DEA), Faisalabad, beyond lawful tenure of two years which was expired on 31.12.2018. Therefore, conduct of business of the Education Authority, Faisalabad including approval/authentication of budget amounting to Rs 20,190.193 million and incurrence of expenditure of Rs 17,515.268 million during 2019-20 was held unlawful. Furthermore, powers of the House / Authority were concentrated in and used by a Government servant. This issue was already highlighted during previous year audit but no corrective measures were taken.

Due to negligence, business of the District Education Authority was run by Deputy Commissioner beyond lawful tenure of two years.

Exercising the powers of the House by the Deputy Commissioner beyond two years resulted in unlawful authentication / approval of budget and incurrence of expenditure of Rs 17,515.268 million besides unlawful conduct of business of District Education Authority.

The matter was reported to the PAO in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

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

[AIR Para: 09]

## **9.6 Issues related to Pension Payments**

### **9.6.1 Non-recoupment of pension paid on behalf of other departments – Rs 93.196 million**

According to Para 4(c) of Government of the Punjab, Finance Department letter No.FD(DG)-1-Instructions-Act-13/2016 dated 31.10.2017, the liability of pension of the employees pertaining to Education and Health Sector, retiring on and after their adjustment to erstwhile District / City District Government shall be borne by the respective District Authorities.

Audit observed that District Education Authority, Faisalabad made payment of pension amounting to Rs 93.196 million during the period from January, 2017 to October, 2017 to those pensioners who were retired before their adjustments to City District Government, Faisalabad. Subsequently, record of these pensioners was transferred to Municipal Committee, Jaranwala and Municipal Corporation, Faisalabad without recoupment of pension payment already made on their behalf.

Due to poor financial management, pension payment of the employees retired before the establishment of City District Government, Faisalabad was not recouped from the Departments concerned.

Non-recoupment of pension payment of employees retired before the establishment of City District Government, Faisalabad resulted in extra burden of Rs 93.196 million on the financial resources of DEA, Faisalabad.

The matter was reported to the PAO/DDO in December, 2020. It was replied that the requisite amount would be recovered and deposited in Account-V of DEA, Faisalabad.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends recovery of Rs 93.196 million from the departments concerned at the earliest.

[AIR Para: 04]

### **9.6.2 Unknown whereabouts of transactions in pension fund account – Rs 14.069 million**

According to Para 4 & 5 of Government of the Punjab, Finance Department letter No.FD(DG)-1-Instructions-Act-13/2016 dated 25.05.2017, the “Pension Fund” maintained by the erstwhile City/District Government shall be apportioned proportionately amongst the District Education Authority, District Health Authority and respective District Council. The fund established by the defunct District Governments, frozen earlier, were de-frozen by the Finance Department vide its letter No.SO(DG)1-20/2016(P-1) dated 08.05.2017.

Audit observed that funds amounting to Rs 14.069 million were withdrawn from the pension fund bank account No. 0191-CPA-002090-000-9 of defunct District Government during 01.01.2017 to 07.05.2017 i.e. before de-frozen of the same on 08.05.2017. Furthermore, no documentary evidence of utilization of funds so drawn was forthcoming from the record.

Due to poor financial management, record relating to pension fund was not properly maintained.

Non-maintenance of proper record of pension fund resulted in unknown whereabouts of transactions amounting to Rs 14.069 million.

The matter was reported to the PAO in August, 2020.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends to probe the matter for thrashing out the whereabouts of financial transactions.

[AIR Para: 14]

### **9.6.3 Payment of pension without obtaining No-Marriage Certificates – Rs 1.921 million**

According to Government of the Punjab, Finance Department Letter No.FD.SR.III-4-111/89 dated 22.07.1989, in case of widow’s death, family pension

with effect from 01.07.1989 will be admissible to the dependent sons until they attain the age of 24 years or till they are gainfully employed, whichever is earlier and to unmarried daughters till their marriage, or their acquiring regular source of income whichever is earlier. Further, according to Government of the Punjab, Finance Department clarification vide Letter No.FD-SR-III-4-57/2013 dated 15.05.2013, a widowed daughter, divorced daughter and un-married sister of Government Servant will be included for grant of family pension till their re-marriage, or acquiring regular source of income, whichever is earlier.

Audit observed that District Education Authority, Faisalabad paid family pension amounting to Rs 1.921 million during 2017-20 to the daughters of four deceased pensioners without obtaining No-Marriage Certificates. The details are given below:

(Rupees in million)

Sr. No.	PPO No.	Name	Period	Amount
1	DEA-67	Kainat Fatima D/O Mushtaq Ahmad	Jan. 2019 to June 2020	0.340
2	DEA-67	Amber Fatima D/O Mushtaq Ahmad	Jan. 2018 to June 2020	0.684
3	DEA-22-C	Sana Talib D/O Talib Hussain	Nov. 2017 to June 2020	0.229
4	51-E/F	Hamera Muneer D/O Shamim Akhtar	Jan. 2017 to June 2020	0.668
<b>Total</b>				<b>1.921</b>

Due to weak internal controls, family pension was paid without obtaining No-Marriage Certificates.

Payment of family pension amounting to Rs 1.921 million without obtaining No-Marriage Certificate might result in payment of inadmissible pension in violation of rules.

The matter was reported to the PAO/DDO in December, 2020. It was replied that No-Marriage Certificates would be obtained before the disbursement of pension for the month of December, 2020, after carrying out physical verifications.

DAC meeting was not convened by the PAO till finalization of this Report, despite efforts made by Audit.

Audit recommends to probe the matter besides obtaining No-Marriage Certificates for verification.

[AIR Para: 02]

## **10. District Education Authority (DEA) Jhang**

### **Chapter 10.1**

#### **Public Financial Management Issues**

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Jhang on annual basis.

#### **Sectoral Analysis**

##### **a) 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 2019-20:

- i. Non-transfer of receipt – Rs 287.508 million
- ii. Understatement / misrepresentation of receipts – Rs 1.716 million
- iii. Booking of expenditure without availability of funds – Rs 2.700 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 the Matter.

##### **b) Analysis of Targets and Achievements**

Sectoral analysis of DEA Jhang was made on the basis of various quality indicators of Education Department for the financial year 2019-20. 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 the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
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
	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	72.29	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)

From the data analysis of DEA Jhang, 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 and Non-Salary Budget (NSB) utilization. Data for NSB timelines was missing and results about performance in this area remained unclear. Overall, the Authority achieved 96.26% 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 55.291 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 the following table:

### **Detail of Missing Facilities in Public Sector Schools as on 30.06.2020**

(Figures in Numbers)

<b>Category of Missing Facility</b>	<b>Description</b>	<b>Total</b>
Missing Boundary Wall	No. of Schools Having Missing B/Wall	61
Dangerous Buildings	No. of dangerous buildings	18
Non-availability of toilets	No. of Schools for non-availability of toilets	48
Missing Class rooms	No. of Missing Class Rooms	56
Non-availability of IT labs	No. of Elementary schools for non-availability of IT labs	10
	No. of High/Higher Secondary schools for non-availability of IT labs	15
Missing Furniture	No. of Schools Facing Shortage of Furniture	31

(Source: Data provided by CEO, DEA Jhang)

There are 64 schools without boundary walls and 48 schools including 33 girls' schools were without toilet facility. Further, due to non-provision of appropriate funds/non-allocation of development schemes 18 schools having dangerous buildings were found. There is also shortage of class rooms for 56 schools and 31 schools remained without necessary furniture during 2019-20. This portrays a gloomy picture of the of state of education in public sector in the district Jhang.

### **c) Serious Financial Irregularities and Findings**

The compliance with authority audit has shown that overall financial management of DEA Jhang 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 0.408 million were reported in one case.

- ii. Procedural Irregularities amounting to Rs 47.613 million were noticed in eight cases.
- iii. Value for Money and Service Delivery Issues involving Rs 8.430 million were noticed in one case.
- iv. Other issues involving an amount of Rs 31.210 million were noticed in three 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.

**Conclusion:**

The overall financial management regarding achievement of budget utilization was not satisfactory as more than 18% funds of Non-Development budget were lapsed while DEA could not utilize more than 14% 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 149.665 million were pointed out during audit of 2019-20.

The overall performance of DEA Jhang 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 55.291 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 & toilets and with partial facilities.

## AUDIT PARAS

### 10.1.1 Non-transfer of receipt – Rs 287.508 million

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.

During Financial Attest Audit of District Education Authority, Jhang for the period 2019-20, it was observed that District Accounts Officer, Jhang collected different receipts on behalf of the Federal and Provincial Government against various GL Accounts during 2019-20. Scrutiny of the record revealed that the same were not transferred to the concerned Governments as compared to actual collection amount. The detail is as under:

(Rupees in million)

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)	-	0.423	0.218	0.205
2	G06103	General Provident Fund (Civil)	191.738	287.620	228.577	250.781
3	G06215	District Govt. Employee B.F	69.339	101.463	145.099	25.703
4	G06411	District Govt. Employee Insurance Fund	9.227	12.022	18.150	3.099
5	G11278	Contribution to GSHF from members	6.219	8.300	11.814	2.704
6	G12713	Income Tax deduction from salaries	1.641	47.493	46.321	2.814
7	G12714	Income Tax deduction from suppliers	0.791	3.001	1.589	2.203
<b>Total</b>			<b>0.279</b>	<b>460.321</b>	<b>451.768</b>	<b>287.508</b>

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.

Audit recommends transfer of receipts to the governments concerned at the earliest.

All the balances are being transferred to provincial Government on monthly basis. However, unspent / un-transferred amounts will be transferred as and when cash balance will be available.

The reply depicted that amounts collected on behalf of other Governments were retained and public account money / cash was utilized for incurring expenditure of DEA. Matter needed justification as well as transfer of the same at the earliest.

DAC directed DAO, Jhang to take up the matter with authorities of DEA for arrangement of cash so that amount may be transferred at the earliest and report progress to Audit. DAC further recommended the para for settlement after verification of record.

#### **10.1.2 Understatement / misrepresentation of receipts – Rs 1.716 million**

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.

District Accounts Officer, Jhang 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. Further, there was also a difference between actually collected and amount reported in Financial Statements during current financial year (CFY). The detail is given below:

(Rupees in million)

Sr. No	GL Account	GL Account Des.	Doc Type	Amount Collected / Deducted in CFY	Amount Presented in Financial Statements of CFY
1	B01603	Deduction at Source (Professional Tax)	AB	(0.423)	(0.205)
2	B02385	Sales Tax on services (Punjab)	Misc.	(0.525)	1.921
<b>Total</b>				<b>(0.947)</b>	<b>1.716</b>

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.

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.

All the balances are being transferred to provincial Government on monthly basis. It is submitted that amounts of GL accounts are tally with SAP as well as financial statements.

The reply was not tenable because no efforts were made to create new GL account for correct booking / treatment of receipts collected on behalf of Punjab Government. Audit stressed to take up the matter with authorities concerned for creation of GL account and correct booking so that true picture of receipts collected and payment made be represented in the accounts.

The matter was discussed in length. DAC directed DAO, Jhang to take up the matter with AG, Punjab for clarification / opening of new GL account for

booking of receipts collected on behalf of Punjab Government in the light of instructions contained in MAP / APPM.

### **10.1.3 Booking of expenditure without availability of funds – Rs 2.700 million**

According to Section 4.2.2.3 of the APPM, the sanction process comprises two functions; namely a Budget Availability Review and the raising of a Purchase Order. The Budget Availability Review will be performed for all expenditures.

District Accounts Officer Jhang made payment amounting to Rs 2.700 million to CEO DEA against ADP scheme for provision of infrastructure of early childhood education. The expenditure was booked to head of account A03970- Others instead of A05270-Others in February, 2020. The error was rectified in May 2020. Scrutiny of Budget & Expenditure Report revealed that budget against head of account A03970 was not provided in the relevant cost center but expenditure was booked without availability of funds.

- Weak internal/financial control on the part of District Accounts Office.
- Chances of fraudulent payment due to lose check and balance.

Audit recommends to probe the matter.

There is no provision in SAP to punch KR document without budget. The document was punched in object code A03970. Later on, transfer entry was made from A03970 to A05270 on the request of department. Total expenditure in object code A03970 is zero.

As per budget & expenditure report generated from SAP, it was observed that original budget in GL account A03970 was zero. No appropriation either plus or minus was reflecting in the report. In view of above stated position it is clear that funds were not available in said GL account during the financial year.

DAC directed DAO to take up the matter with CEO DEA for justification & uploading of budget in SAP properly in future.

## CHAPTER 10.2

### 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 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	0
Primary Schools*	1271	0
<b>Total</b>	<b>1655</b>	<b>197</b>

(\*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 2019-20	Revenue/ Receipts Audited FY 2019-20
1	Formations	197	05	3,680.450	-
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 2019-20.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Non-Development (Salary+ Non-Salary)	10,071.348	7655.684	-2415.665	23.98
Development	148.260	92.969	-55.291	37.29
<b>Total</b>	<b>10,219.608</b>	<b>7748.653</b>	<b>-2470.955</b>	<b>24.17</b>
<b>Receipt</b>		51.283		

(Source: Appropriation Accounts 2019-20)

Analysis of budget and expenditure reflected that:

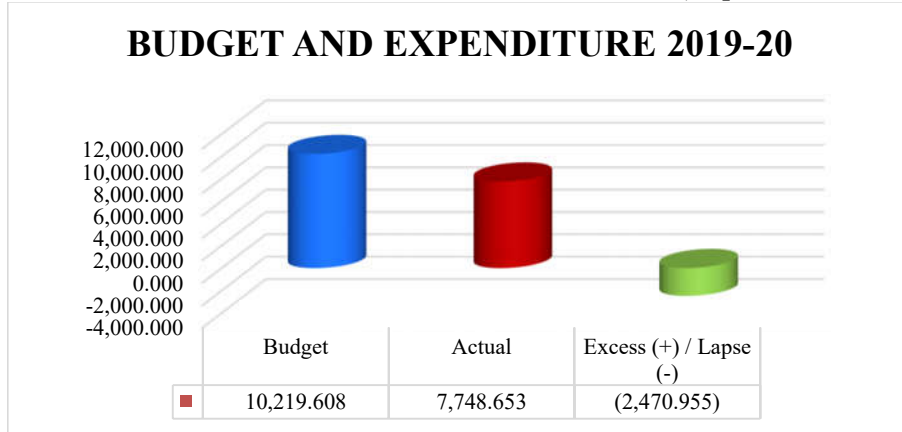
- a. An amount of Rs 10,071.348 million was provided for salary and Non-Development expenditure. A massive lapse of Rs 2415.665 million was observed, which accounts for 23.98% of the total budget.
- b. An amount of Rs 148.260 million was provided for development, out of which only Rs 92.969 million was utilized. The department did not utilize funds in a timely manner, resulting in a lapse of Rs 55.291 million, representing a lapse of 37.29%.



- 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 2019-20.

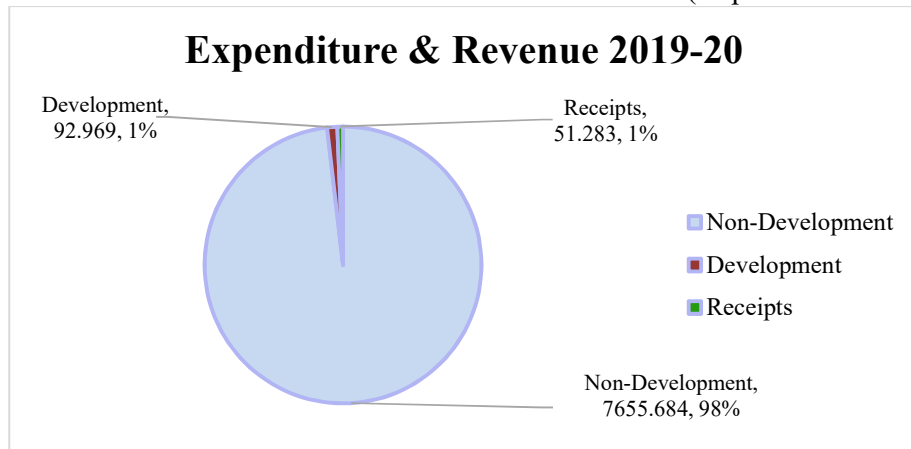
Graphical presentation of budget & expenditure is as under:

(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 87.661 million were raised as a result of this audit. This amount also includes recoverable of Rs 53.676 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	0.408
3	Procedural Irregularities	0
3A	HR/Employees related irregularities	23.198
3B	Procurement of related irregularities	24.415
3C	Management of Accounts with Commercial Banks	0
4	Values for money and service delivery issues	8.430
5	Others	31.210
	<b>Total</b>	<b>87.661</b>

### 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.

#### Status of Previous Audit Reports

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
3	2019-20	28	PAC not constituted

## **AUDIT PARAS**

### **10.3 Fraud / Misappropriation**

#### **10.3.1 Non-recovery of embezzled amount – Rs 0.408 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.

Chief Executive Officer, DEA Jhang imposed major penalty of fine amounting to Rs 0.408 million on two teachers working under the administrative control of Deputy District Education Officer (EE-M), Jhang during 2019-20. The penalty of fine was imposed on the recommendations of inquiry committee due to charges of unlawful lease of school land for cultivation and embezzlement of school funds. However, the said amount was not recovered from the employees concerned.

Due to weak internal and financial controls, embezzled amount was not recovered from the employees concerned.

Non-recovery of embezzled amount of Rs 0.408 million from the employees concerned resulted in undue favour in violation of rules.

The matter was reported to the PAO and DDO concerned during August to September, 2020. In DAC meeting held in January, 2021, it was replied that the appeal of teacher concerned was pending before Administrator/Deputy Commissioner. As the decision received the same would be implemented. Audit stressed to recover the embezzled amount besides fixing responsibility.

DAC directed to recover the embezzled amount besides fixing responsibility. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of Rs 0.408 million from the concerned besides disciplinary action against the person(s) at fault.

[AIR Para: 13]

## 10.4 Procedural Irregularities

### 10.4.1 Irregular expenditure on civil works – Rs 12.949 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. The 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 82 primary and elementary schools of District Education Authority (DEA), Jhang incurred expenditure of Rs 12.949 million for construction of class rooms, boundary walls, toilet blocks, soling, repair of school buildings, earthwork etc. during 2019-20. 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. Furthermore, 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	Amount
1	Deputy DEO (EE-M), Jhang	22	5.011
2	Deputy DEO (EE-W), Shorkot	36	5.557
3	Deputy DEO (EE-W), Jhang	24	2.381
<b>Total</b>		<b>82</b>	<b>12.949</b>

Due to weak internal controls and non-compliance of School Council Policy, civil works were executed without approval of detailed estimates, designs/specifications and expenditure was incurred without open competition.

Execution of civil works without approval of estimates, designs/specifications and avoidance of open competition resulted in incurrence of irregular expenditure amounting to Rs 12.949 million.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, DDEO (EE-M) Jhang replied that inquiry had been initiated against head teachers concerned. As soon as inquiry report received, the matter would be decided in the light of inquiry report. Other DDOs replied that matter would get regularized from the Competent Authority. Audit stressed to expedite the process of regularization.

DAC directed to probe the matter for fixing responsibility besides regularization of the matter from the Competent Authority. No progress was intimated to Audit 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: 2, 3, 9]

#### **10.4.2 Irregular expenditure on furniture without specifications & open competition – Rs 8.239 million**

According to Paras 3.8 and 4 of the School Council Policy, 2007 read with Rules 4, 10(1) and 25(2) 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. The 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.

School Councils of 56 primary and elementary schools, under the administrative control of three Deputy DEOs of DEA, Jhang incurred expenditure of Rs 8.239 million on procurement of furniture, cycles, installation of solar powered tube well and execution of civil works during 2018-20. Audit observed that procurements were made by splitting the cost and keeping amount of each bill

below the financial limit of Rs 100,000 to avoid tendering and Rs 50,000 to avoid quotations. Furthermore, procurements of student desk benches were made on different rates by some schools without mentioning their specifications i.e. size, type, quality of material etc. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Financial Year	No. of Schools	Amount
1	Deputy DEO (EE-M), Jhang	2019-20	09	2.116
		2018-20	01	1.565
2	Deputy DEO (EE-W), Shorkot	2019-20	34	2.780
3	Deputy DEO (EE-W), Jhang	2019-20	11	1.217
		2018-20	01	0.561
<b>Total</b>			<b>56</b>	<b>8.239</b>

Due to weak internal controls and lack of planning; procurements were made by splitting the cost, without open competition and specifications.

Procurements by splitting and without specifications resulted in irregular procurements amounting to Rs 8.239 million.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, DDOs replied that the matter would be probed through a scrutiny committee.

DAC directed to investigate the matter besides getting the expenditure regularized from the competent authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter for fixing responsibility on the person(s) at fault besides regularization of expenditure from the Competent Authority.

[AIR Paras: 5, 7, 4, 10, 6]

#### **10.4.3 Unauthorized payment of Inspection Allowance during closure of schools – Rs 7.975 million**

According to Government of the Punjab, School Education Department Office Order No.SO(Budget) 1-15/2013 dated 15.01.2018, the Governor of the

Punjab is please to accord sanction 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 School Education Department in consultation with DFID as issued vide Notification No.SO(SE-III)5-225/2017 dated 12.09.2017. Furthermore, according to Government of the Punjab, School Education Department Notification No.SO(SE-III)5-226/2017 dated 18.12.2018, the Competent Authority has been pleased to notify measurable indicators to assess / evaluate the performance of Assistant Education Officers by their controlling officer. For Inspection Allowance AEOs must achieve at least 15 out of 17 mentioned targets.

Ninety-six Assistant Education Officers (AEOs) of DEA, Jhang withdrew Inspection Allowance amounting to Rs 7.925 million during the period from 14.03.2020 to 30.06.2020. However, allowance was withdrawn without inspection of schools as the schools remained closed on the directions of School Education Department, Punjab due to outbreak of COVID-19 Pandemic and countrywide lockdown. Furthermore, one employee other than AEO working under the administrative control of Deputy District Officer (EE-W), Jhang withdrew Inspection Allowance amounting to Rs 0.050 million in November, 2019 without admissibility.

Due to weak internal controls, payment of Inspection Allowance was made without fulfilment of KPIs and without maintaining supporting record.

Payment of Inspection Allowance amounting to Rs 7.975 million without substantiating fulfilment of requisite KPIs resulted in unjustified payment and created doubts regarding legitimacy of expenditure incurred.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, CEO DEA Jhang replied that the period remained under lockdown was declared as summer vacations by the Government of Punjab vide notification dated 01.04.2020 and Inspection Allowance to the AEOs is also admissible during summer vacations vide notification dated 24.07.2019 hence the amount pointed out had no justification.

The reply was not tenable and Audit stressed to get the matter clarified from the Finance Department Government of the Punjab as special case.

DAC directed to get the matter clarified form the Finance Department Government of the Punjab. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of Inspection Allowance amounting to Rs 7.975 million from the officers concerned.

[AIR Paras: 1, 8, 11, 13, 7, 15]

#### **10.4.4 Excess payment of pay and allowances upon upgradation of posts – Rs 6.067 million**

According to Government of the Punjab, School Education Department Notification No. S.O (SE-III) 5-11/2016 dated 25.09.2017, posts of Primary and Elementary School Teachers were upgraded from BPS-09 to BPS-14 and from BPS-14 to BPS-15 respectively w.e.f. 01.01.2018.

Posts of 52 Primary and Elementary School Teachers working under the administrative control of four DDOs of DEA, Jhang were up-graded from BPS-09 to BPS-14 and from BPS-14 to BPS-15. However, upon upgradation of posts, pay and allowances of the teachers concerned were wrongly fixed in higher scales. Resultantly, an amount of Rs 6.067 million was overpaid to said teachers. The details are as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Teachers</b>	<b>Amount</b>
1	Deputy DEO (EE-M), Jhang	26	2.072
2	Deputy DEO (EE-W), Jhang	13	2.525
3	Deputy DEO (EE-W), Shorkot	04	0.914
4	Deputy DEO (EE-W), Ahmed Pur Sial	09	0.556
<b>Total</b>		<b>52</b>	<b>6.067</b>

Due to financial indiscipline, wrong pay fixation was made in the upgraded posts.



Wrong pay fixation after upgradation of posts resulted in overpayment of Rs 6.067 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, it was replied that partial recovery had been made and remaining recovery would be made from the concerned. Audit stressed to recover the overpayment.

DAC directed to recover the balanced amount at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of overpaid amount of Rs 6.067 million from the teachers concerned besides rectification of pay and allowances for stoppage of further overpayment.

[AIR Paras: 4, 8, 2, 11]

#### **10.4.5 Unjustified payment of salaries through adjustments in payroll – Rs 3.421 million**

According to Para 4.6.5.5 of the Accounting Policies and Procedures Manual (APPM) read with Rule 2.20 of PFR Volume-I, any change in employee's allowances and deductions shall be notified through the change statement to the DAO/AG/AGPR and every payment, including repayment of money previously lodged with the Government, for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim. Furthermore, according to Paras 2 to 9 of the Guidelines for Utilization of NSB, School Councils would maintain complete record of receipts and expenditure on prescribed forms for audit and inspection of its accounts.

Deputy DEO (EE-W), Ahmed Pur Sial and head teachers of six primary schools, under the administrative control of Deputy DEO (EE-W), Shorkot incurred expenditure of Rs 3.421 million without maintaining prescribed record. The details are given on the next page:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	Deputy DEO (EE-W), Ahmed Pur Sial	Payment through adjustments in payroll without maintaining supporting record such as vouchers, arrear claims, financial sanctions, change forms etc.	1.766
2	Deputy DEO (EE-W), Shorkot	School Councils incurred expenditure either without maintaining prescribed record such as School Based Action plans, cash books, bank statements, vouchers, invoices, stock registers etc. or by concealing the same from Audit to avoid scrutiny.	1.655
<b>Total</b>			<b>3.421</b>

Due to weak financial management, prescribed record was not maintained and produced for audit scrutiny.

Non-maintenance of prescribed record created doubts about the legitimacy of expenditure incurred amounting to Rs 3.421 million.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, Deputy DEO (EE-W), A.P. Sial replied that bills for arrears of pay were submitted to the DAO Jhang after proper documentation and approval of competent authority. Deputy DEO (EE-W), Shorkot replied that record had been maintained by the School Councils. The replies were not tenable as no record was produced in support of reply.

DAC directed DDOs to produce record in support of reply otherwise effect recovery where overpayment involves and fix responsibility for non-maintenance of record at the time of Audit. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault and recovery of excess paid amount from the concerned.

[AIR Paras: 5, 1]

#### 10.4.6 Payment of General Sales Tax against defective invoices – Rs 3.227 million

According to Rule 4(iii)(b) of the Sales Tax Special Procedure (Withholding) Rules, 2007, the concerned Drawing and Disbursing Officer shall prepare the return in form as in the annexure to these rules for each month and forward the same to Collector having jurisdiction by 15th of each month. Further, according to Sales Tax wing letter No.4(47)STB/WP(Vol-I) dated 04.8.2001, all Government departments and organizations are required to purchase taxable goods only from registered persons against prescribed Sales Tax invoice. Furthermore, according to Sections 13(1) and 23(1) of the Sales Tax Act 1990, supply of goods or import of goods specified in the Sixth Schedule shall be exempt from tax under this Act. 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.

School Councils of 130 elementary and primary schools of DEA, Jhang purchased various items costing Rs 25.385 million from different suppliers out of Non-Salary Budget (NSB) during 2019-20 and made payment of General Sales Tax amounting to Rs 3.227 million. The details are given below:

(Rupees in million)

Sr. No.	DDOs	No. of Schools	Expenditure	GST Amount
1	Deputy DEO (EE-M), Jhang	28	8.720	1.059
		01	0.182	0.182
2	Deputy DEO (EE-W), Shorkot	76	12.394	1.413
3	Deputy DEO (EE-W), Jhang	25	4.089	0.573
<b>Total</b>		<b>130</b>	<b>25.385</b>	<b>3.227</b>

Audit observed following discrepancies regarding issuance of GST invoices and charging of Sales Tax by the suppliers and payment thereof:

1. General Sales Tax was charged on exempted supplies like renewable energy items, bricks etc.

2. GST invoices issued by the suppliers were not in chronological order and suppliers did not mention the detail of supplies in GST invoices.
3. Different serially numbered invoices from more than one bill books were issued to schools in the same months by the same supplier.
4. Suppliers issued fake GST invoices without mentioning invoice Numbers and dates.
5. Monthly GST returns were also not provided by the suppliers to verify the deposit of 80% tax to the FBR.

Due to weak internal controls, GST was paid to suppliers against defective invoices and proof of deposit of 80% GST was also not provided.

Payment of GST amounting to Rs 3.227 million against defective invoices and non-furnishing of Sales Tax returns created doubts about deposit of GST with FBR by the suppliers.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, it was replied that all head teachers concerned were directed to recover GST from suppliers. Audit stressed to recover the overpaid amount at the earliest.

DAC directed to recover the overpaid amount at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides recovery of GST amounting to Rs 3.227 million from the concerned.

[AIR Paras: 10, 15, 6, 17]

#### **10.4.7 Excess withdrawal of pay and allowances after regularization of services – Rs 3.146 million**

According to Government of the Punjab, Services & General Administration Department letter No.(O&M)S&GAD)5-3/2013 dated 01.03.2013 read with letter of even No. dated 19.08.2013, the contract employees will not be entitled for Social Security Benefit (SSB) after regularization and their pay shall be fixed at the initial of the respective pay scales and the increment(s) already earned shall be converted into Personal Allowance.

Services of 132 teachers working under the administrative control CEO, DEA, Jhang and for Deputy DEOs of DEA, Jhang were regularized w.e.f. 11.01.2020. Contrary to the above instructions, the teachers concerned withdrew excess amount of Rs 3.146 million on account of inadmissible Social Security Benefit and other allowances at excessive rates after regularization of their services. The details are as under:

(Rupees in million)

Sr. No.	DDOs	No. of Employees	Amount
1	CEO DEA, Jhang	28	0.125
2	Deputy DEO (EE-M), Jhang	32	1.208
3	Deputy DEO (EE-W), Jhang	43	0.666
4	Deputy DEO (EE-W), Shorkot	29	1.147
<b>Total</b>		<b>132</b>	<b>3.146</b>

Due to dereliction of duties, payment of inadmissible pay and allowances was made to the teachers.

Payment of inadmissible pay and allowances after regularization of services resulted in overpayment amounting to Rs 3.146 million.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, it was replied that partial recovery had been made and remaining recovery would be made. Audit stressed to recover the balanced amount.

DAC directed to recover the balanced amount without further delay. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of overpaid amount of Rs 3.146 million from the concerned besides rectification of pay and allowances for stoppage of further overpayment.

[AIR Paras: 3, 9, 4, 10]

#### **10.4.8 Withdrawal of pay and allowances at excessive rates – Rs 2.589 million**

According to Rule 2.31(a) of PFR, 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 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. Furthermore, according to Government of the Punjab, S & GAD letter dated 29.10.2019 read with letter No.SOR-III(S&GAD)2-2/2019 dated 24.01.2020, services of employees appointed on contract basis under Section 17-A of the Punjab Civil Servants Act shall be regularized with prospective effect.

Forty-two employees of DEA, Jhang withdrew inadmissible pay and allowances amounting to Rs 2.589 million during 2018-20 due to withdrawal of salaries after death/ termination / retirement from the Government service besides withdrawal of inadmissible Conveyance Allowance, Qualification Allowance, Charge Allowance, Adhoc Relief Allowance etc. The details are as under:

Rupees in million)

Sr. No.	DDOs	No. of Employees	Amount	Remarks
1	CEO DEA, Jhang	03	0.050	Personal Allowance without admissibility
2	Deputy DEO (EE-M), Jhang	01	0.768	withdrawal of pay & allowances at excessive rates
		04	0.273	Withdrawal of salaries after death/retirement from Government service
		09	0.139	Regularization of service with retrospective effect and excess payment of pay and allowances
3	Deputy DEO (EE-W), Shorkot	01	0.125	Withdrawal of salaries during absent period
4	Deputy DEO (EE-W), Jhang	03	0.168	Withdrawal of salaries after death/retirement from Government service
		01	0.842	Withdrawal of salaries during absent period
		4	0.137	Qualification Allowance without admissibility
5	Deputy DEO (EE-W), AP Sial	01	0.012	Adhoc Allowance 2010 without admissibility
		01	0.075	Inspection Allowance without admissibility
<b>Total</b>		<b>42</b>	<b>2.589</b>	

Due to weak financial controls, pay and allowances were paid to employees without admissibility / at excessive rates.

Withdrawal of pay and allowances at excessive rates or without admissibility resulted in overpayment of Rs 2.589 million to the employees concerned.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, it was replied that partial recovery had been made and remaining recovery would be made. Audit stressed to recover the balanced amount.

DAC directed to recover the balanced amount without further delay. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 2.589 million from the employees concerned besides rectification of pay and allowances for stoppage of further overpayment.

[AIR Paras: 12, 4, 11, 14, 8, 2, 7, 5, 10, 12]

## **10.5 Value for Money and Service Delivery Issues**

### **10.5.1 Unauthentic utilization of NSB – Rs 8.430 million**

According to Paras 3.4.7, 3.8 and 4 of the Guidelines for Use of NSB read with Rules 4, 9, 12(1) and 59 (b) of the Punjab Procurement Rules, 2014, School Councils were required to follow the Punjab Procurement Rules. Furthermore, according to Section 23(1) of the Sales Tax Act 1990 read with FBR Sales Tax Circular No.02 of 2019, issued vide C. No. ½-STB/2019, 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. Sales Tax can only be recovered from customer if supplier is registered and reflects the STRN on the invoice issued to customer.

School Councils of 25 elementary and primary schools under the administrative control of Deputy DEO (EE-W), Ahmed Pur Sial incurred expenditure of Rs 8.430 million for execution of civil works, white wash of school buildings, procurement of furniture, smartphone tablets, stationery, other store items, establishment of ECE rooms and repair of different items during 2018-20. However, incurrence of expenditure was held irregular and unauthentic on the following grounds:

- i. Funds from NSB bank accounts were drawn in cash before incurrence of expenditure and mostly funds were utilized without approval of School Councils.
- ii. Cost of procurements amounting to Rs 3.566 million was split up to avoid competition besides using fake quotations.
- iii. Execution of civil works was not supported by technically sanctioned estimates, work orders, muster rolls for labour, details of work done etc. Furthermore, illogical procurement of construction material and execution of works were shown in one day as depicted from the invoice dates.
- iv. Funds were drawn by using managed bills and flying sales tax invoices as invoices bearing consecutive serial numbers were issued to a specific school with gap of more than one week or even more than one month.



Furthermore, most of the invoices were not in chronological order in comparison to date of issuance. It depicted that 80% GST amounting to Rs 0.753 million was not deposited by the supplier(s) into the Government treasury.

- v. In some cases, vendors included PST in GST invoices and 4.5% Income Tax in the bills and sales tax amounting to Rs 0.182 million was also charged against exempted / zero rated supplies.
- vi. Payees acknowledgements were also not obtained from the vendors.
- vii. Furniture, desk benches, tablet smartphones, LED TVs, computers etc. were purchased without mentioning make, model, specifications etc.
- viii. Stores were not accounted for in stock registers.

Due to financial mismanagement and negligence of the authorities, NSB was utilized in violation of provisions of financial propriety and through unauthentic procurement process/ fake invoices.

Utilization of NSB through defective process and fake record resulted in irregular and unauthentic expenditure of Rs 8.430 million.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, it was replied that all the schools mentioned in the observation made purchases after obtaining approval from the school councils and proper record and all the assets were available physically in the schools. Procurements were made after obtaining quotations. The reply was not tenable as fake procurement process was adopted by School Councils. Audit stressed to probe the matter for fixing responsibility on the person(s) at fault besides black listing of vendors and recovery of loss.

DAC directed to probe matter for fixing responsibility on the person(s) at fault besides black listing of vendors and recovery of loss. No progress was intimated to Audit till finalization of this Report.

Audit recommends investigation of the matter besides fixing responsibility on the person(s) at fault and black listing the suppliers involved in issuance of fake invoices.

[AIR Para: 01]

## **10.6 Others**

### **10.6.1 Irregular withdrawal of funds in the name of DDO – Rs 21.903 million**

According to Rule 4.49(a) of the Subsidiary Treasury Rules, payments of Rs 100,000 and above to contractors and suppliers shall not be made in cash by the Drawing and Disbursing Officer (DDO). The DDO, while submitting the bill at the pre-audit counter of Accountant General/ District Accounts Officer, shall record an endorsement on the bill requiring separate cross cheque to be issued in favor of contractor / supplier. Further, according to Rule 2.10(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.

Deputy District Education Officer (EE-W), Shorkot withdrew an amount of Rs 21.903 million through cheques out of Government treasury and deposited the same into DDO bank account. Contrary to the above rules, the amount was not disbursed to the actual payees / claimants till June, 2020 and unduly retained in DDO bank account.

Due to weak financial management, funds withdrawn from the Government treasury were not promptly disbursed to the claimants.

Non-disbursement of the funds withdrawn from the treasury resulted in unauthorized retention of public money amounting to Rs 21.903 million.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, it was replied that payment to payees was made through cheque but concerned payees presented cheques and collected their amount in July 2020. The reply was not tenable and Audit stressed for regularization of the matter from the competent authority besides fixing responsibility on the person(s) at fault.

DAC directed to get the matter regularized from the Competent Authority besides fixing responsibility on the person(s) at fault. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault.

[AIR Para: 16]

### **10.6.2 Retention of funds without maintenance of record – Rs 7.390 million**

According to Para 2(II) of Government of the Punjab, Finance Department letter No.FD.SO(GOODS)44-4/2016 dated 01.08.2018, parking of public funds provided by Provincial Government from its budgetary allocation in the commercial bank accounts of Companies, Authorities, Autonomous bodies, etc. shall not be allowed. Further according to Rules 2.10(b)(5) of PFR 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.

Deputy DEO (EE-W), Jhang retained huge amount of Rs 7.390 million in bank account No. 4035386624 and even no detail of claims and identification of claimants were forthcoming from the record. Furthermore, bank reconciliation statement was also not prepared and produced for audit scrutiny.

Due to financial mis-management, funds were withdrawn and retained in local bank account without requirement for immediate disbursement.

Withdrawal of funds amounting to Rs 7.390 million from the Government treasury without requirement for immediate disbursement resulted in unauthorized retention of public funds.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, it was replied that the amount consisted of leave encashment and financial assistance. Hence the disbursement of the above amount was being delayed by the incumbent. Audit stressed to get the matter regularized from the competent authority.

DAC directed to probe the matter besides regularization of matter from the competent authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter for undue retention of funds without detail of actual claims, claimants and bank reconciliation statement.

[AIR Para: 14]

### 10.6.3 Non-deduction of taxes – Rs 1.917 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.

School Councils of 134 primary and elementary schools of DEA, Jhang made payments against supply of goods, rendering of services and execution of contracts during 2018-20. Contrary to the above provisions, an amount of Rs 1.917 million on account of Income Tax, General Sales Tax and Punjab Sales Tax on Services was not / less deducted from the payments made to vendors, contractors or service providers. Furthermore, GST was paid on exempted supplies and recovery of taxes pointed out by Audit was paid from NSB instead of recovering the same from the vendors concerned. 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	Deputy DEO (EE-M), Jhang	26	0	0	0.130	0	0.130
2	Deputy DEO (EE-W), Shorkot	61	0.044	0.031	0.021	0.548	0.644
3		11	0.001	0	0	0.113	0.114
4	Deputy DEO (EE-W), Ahmed Pur Sial	36	0.232	0.386	0.229	0.182	1.029
<b>Total</b>		<b>134</b>	<b>0.277</b>	<b>0.417</b>	<b>0.38</b>	<b>0.843</b>	<b>1.917</b>

Due to weak internal controls and negligence, taxes were not deducted/withheld at specified rates before making payments and GST was paid on exempted supplies.

Non-deduction of taxes at specified rates and payment of GST on exempted supplies resulted in excess payment of Rs 1.917 million to the suppliers/service providers/contractors concerned.

The matter was reported to the PAO and DDOs concerned during August to September, 2020. In DAC meeting held in January, 2021, it was replied that overpaid amount would be recovered. Audit stressed to recover the overpaid amount.

DAC directed to recover the overpaid amount. No progress was intimated to Audit till finalization of this Report.

Audit recommends early recovery of taxes amounting to Rs 1.917 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Paras: 19, 15, 18, 13, 16, 2, 3, 4]

## **11. District Education Authority (DEA) Toba Tek Singh**

### **CHAPTER 11.1**

#### **Public Financial Management Issues**

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Toba Tek Singh on annual basis.

#### **Sectoral Analysis**

##### **a) 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, 2019-20:

- i. Excess transfer of receipt Rs 0.900 million
- ii. Overstatement of receipt due to wrong booking Rs 3.840 million
- iii. Misclassification of receipt Rs 0.881 million
- iv. Irregular payment on account of TA claims Rs 1.539 million
- v. Unauthorized withdrawal of Conveyance Allowance Rs 12.600 million
- vi. Excess payment of pay and allowances due to wrong fixation of pay Rs 2.757 million
- vii. Non-disclosure of third party/direct payments in the Financial Statements Rs 250.485 million
- viii. Non-reporting of Fixed Assets amounting to Rs 67.522 million

**b)** 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 Auditor's Report of DEA, Toba Tek Singh as Emphasis of the Matter.

**c) Analysis of Targets and Achievements**

Sectoral analysis of DEA Toba Tek Singh was made on the basis of various quality indicators of Education Department for the financial year 2019-20. 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 the Financial Year 2019-20**

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Quality Indicators Literacy & Numeracy Drive (LND) Test Results	LND	82	78.4	Not Achieved
Core Indicators	Students Attendance	92	93.41	Achieved
	Teacher Presence	90	94.51	Achieved
	Head Teacher Presence	90	95	Achieved
	Availability of Boundary Wall	98	86.1	Not Achieved
	Availability of Drinking Water	95	99.36	Achieved
	Availability of Furniture	70	93.92	Achieved
	Classroom Observation	80	95.65	Achieved
Infrastructure Indicators	Safe Buildings	98	99.68	Achieved
	NSB Timelines	90	N.A	Not Clear
	NSB Utilizations	90	87.80	Not Achieved
	Data Health	90	94.88	Achieved
	Sufficiency of Toilet	76.4	90.57	Achieved
Retention Indicators	Retention (K-12)	97	98.90	Achieved
Monitoring & Management Indicators	School Hygiene	80	83	Achieved
	Partial Facility	1	1.43	Achieved
	On time Resolution	90	100	Achieved

(Source: Data retrieved from PMIU Data Pack)

From the data analysis of DEA Toba Tek Singh, 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, availability of boundary walls and utilization of Non-Salary Budget (NSB). Data for NSB timelines was missing and results about performance in this area remained unclear. Overall, the Authority achieved 75% targets leaving a 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 270.950 were not utilized and lapsed during the financial year. These were core indicators which were not achieved which means that administration failed to deliver to the best for meeting these targets.

DEA failed to achieve the targets regarding Quality Indicators Literacy & Numeracy Drive, issues of infrastructure i.e. availability of boundary walls, NSB utilization as given in table below:

#### **Detail of Missing Facilities in Public Sector Schools as on 30.06.2020**

(Figures in Numbers)

<b>Category of Missing Facility</b>	<b>Description</b>	<b>Girls Schools</b>	<b>Boys Schools</b>	<b>Total</b>
Missing Boundary Wall	No. of schools having missing boundary wall	38	138	176
Missing Toilet Facility	No. of schools having missing toilet facility	0	0	0
Missing Class Rooms	No. of schools facing shortage of class 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 walls which include 38 girls' schools. There is also shortage of class rooms for 867 schools and 827 schools



remained without necessary furniture during 2019-20. This portrays a gloomy picture for state of education in public sector in district Toba Tek Singh.

**d) 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. Procedural Irregularities amounting to Rs 150.025 million were noticed in seven cases.
- ii. Value for Money and Service Delivery Issues involving Rs 1.080 million were noticed in one case.
- iii. Other issues involving an amount of Rs 29.770 million were noticed in three cases.

**Conclusion:**

The overall financial management regarding achievement of budget utilization was not satisfactory as more than 18% funds of Non-Development budget lapsed while DEA could not utilize more than 14% 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 206.598 million were pointed out during financial year, 2019-20.

The overall performance of DEA Toba Tek Singh 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 development funds Rs 270.950 million were lapsed during the year which could have been utilized to provide the missing facilities. The target of utilization of Non-Salary Budget was also not achieved. Thousands of students were without basic facilities such as desks and tables, while many of schools were operating without class rooms, toilets and with partial facilities.

## AUDIT PARAS

### 11.1.1 Excess transfer of receipt – Rs 0.900 million

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.

During Financial Attest Audit of District Education Authority, Toba Tek Singh for the period 2019-20, it was observed that District Accounts Officer, Toba Tek Singh collected different receipts on behalf of the Federal and Provincial Government against various GL Accounts during 2019-20. Scrutiny of the record revealed that the same were transferred in excess to the concerned Governments as compared to actual collection amount. The detail is as under:

(Rupees in million)

Sr. No.	GL Account	Description	Opening Balance / Previous Year's Receipt	Receipt during the year	Payment made during CFY	Excess Transferred
1	G12777	Sales Tax deduction at Source	-2.665	2.480	0.715	0.900

Booking of liabilities in consolidated fund receipt resulted in overstatement of DEA receipts and excess transfer of receipts resulted in undue reduction in assets of DEA.

Audit recommends justification for excess transfer of receipts to the governments concerned at the earliest.

The matter has been taken up with AG Punjab and reply will be submitted as received

Audit stressed upon early response. DAC directed to adjust the excess transferred amount during current financial year and directed DAO TTS to produce record to Audit for verification.

### **11.1.2 Overstatement of receipt due to wrong booking – Rs 3.840 million**

According to Section 5.5.10.2 of the APPM, if an error is identified in the classification or amount of receipt then an adjusting entry is required.

District Accounts Officer, Toba Tek Singh booked Provincial Government receipts as District Education Authority receipt. Resultantly, receipts of DEA were overstated to the extent of Rs 3,839,953. The details are given below:

(Rupees in million)

<b>Sr. No.</b>	<b>GL Account</b>	<b>GL Account Des.</b>	<b>Fee collected on behalf of different colleges</b>	<b>Amount</b>
1	C02801	Fee Govt. University Art College		2.494
2	C02813	Education - General Admission Fee		0.848
3	C02814	Education - General Recoveries of Overpayments		0.052
4	C02818	Education – Others		0.446
<b>Total</b>				<b>3.840</b>

Showing of Provincial Government receipts as District Education Authority receipts resulted in wrong preparation of accounts and overstatement in figures of receipts.

Audit recommends rectification of error so that true picture of accounts be presented.

Provincial Govt. receipt booked as District Education Authority receipt would be transferred to the provincial Govt. in the month of November, 2020.

The reply was not tenable because no justification regarding wrong booking of receipt given by the department. DAC directed DAO TTS to take up the matter with AG Punjab and para was kept pending.

### **11.1.3 Misclassification of receipt – Rs 0.881 million**

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.

District Accounts Officer, Toba Tek Singh deducted an amount of Rs 0.881 million as Liquidity Damages Charges from the claims of suppliers for supply of furniture and fixtures to CEO District Education Authority, Toba Tek Singh during 2018-19. The same was booked against Account Head C02636 instead of C02818- Education Others, which shows that receipt was booked against wrong object code.

Misclassification of receipt of Rs 0.881 million resulted in defective maintenance of accounts.

Audit recommends rectification of error so that true picture of accounts be presented.

The amount Rs 0.881 million wrongly booked against head C02636 has been adjusted / transferred to the head C02818 during the month of September, 2020.

The reply was not tenable because no justification was given regarding wrong booking of receipt by the department. The matter was discussed in length and DAC directed DAO TTS to take up the matter with the Finance Department for regularization of misclassification of receipt.

### **11.1.4 Non-disclosure of third party/direct payments in the Financial Statements – Rs 250.485 million**

According to Para 1.3.24 of Cash Basis International Public Sector Accounting Standards (IPSAS), it is mandatory that Third Party/Direct Payments are disclosed in a separate column of the statement of cash receipts and payment of the Financial Statements.

During Financial Attest Audit of District Education Authority, Toba Tek Singh for the year 2019-20, it was observed that payment on account of Non-Salary Budget (NSB) amounting to Rs 250.485 million were made by the Punjab Government on behalf of the District Education Authority. Contrary to the above refereed standard third party payments were not disclosed in the accounts of the District Education Authority.

Non-disclosure of third party/direct payments in the separate column of Financial Statements resulted in violation of above mentioned rule.

Audit recommends justification for non-disclosure of third party/direct payments in the separate column of Financial Statements.

It was replied that third party payment has been disclosed.

The reply was not tenable because no documentary evidence was provided in support of reply. DAC directed DAO TTS to provide documentary evidence in support of reply/verification

#### **11.1.5 Non-reporting of Fixed Assets – Rs 67.522 million**

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.

District Accounts Officer, Toba Tek Singh made payments amounting to Rs 67.522 million for procurement of furniture, fixtures and IT labs equipment from cost center TY8996 (CEO District Education Authority, Toba Tek Singh) during 2019-20. Contrary to the above referred Section of APPM, the expenditure was not included in statement of Capital Expenditure and asset side of Balance Sheet.

Non-reporting of Fixed Assets in Financial Statements resulted in defective maintenance of accounts.

Audit recommends justification for non-reporting of Fixed Assets in the Financial Statements of the Authority.

It was replied that matter has been taken up with AG Punjab and reply will be submitted as received.

Audit stressed upon early response. DAC directed DAO to take up the matter with TDH-I, AG Punjab and submit compliance at the earliest.

## CHAPTER 11.2

### DEA Toba Tek Singh

#### 11.2.1 Introduction

District Education Authority, Toba Tek Singh was established on 01.01.2017 under Punjab Local Government Act 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.

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, 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
District Officer (Literacy)	01	01
DEO (EE-M)	01	01
DEO (EE-W)	01	01
Deputy DEOs (EE-M)*	04	04
Deputy DEOs (EE-W)*	04	04
Higher Secondary Schools (Boys & Girls)	16	16
High Schools (Boys & Girls)	198	198
Elementary Schools*	287	0
Primary Schools*	680	0
Special Education Schools / Centers	07	07
<b>Total</b>	<b>1201</b>	<b>234</b>

(\*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 2019-20	Revenue/ Receipts Audited FY 2019-20
1	Formations	234	05	3,502.050	-
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, 2019-20.

(Rupees in million)

2018-19	Budget	Actual	Excess (+) / Lapse (-)	Lapse (Per Cent)
Non-Development (Salary + Non-Salary)	9,598.177	7,401.445	-2,196.732	22%
Development	410.475	139.825	-270.950	66%
<b>Total</b>	<b>10,008.952</b>	<b>7,541.270</b>	<b>2,467.682</b>	<b>25%</b>
Receipts	0	86.683	0	0

(Source: Appropriation Accounts 2019-20)

Analysis of budget and expenditure indicated that:

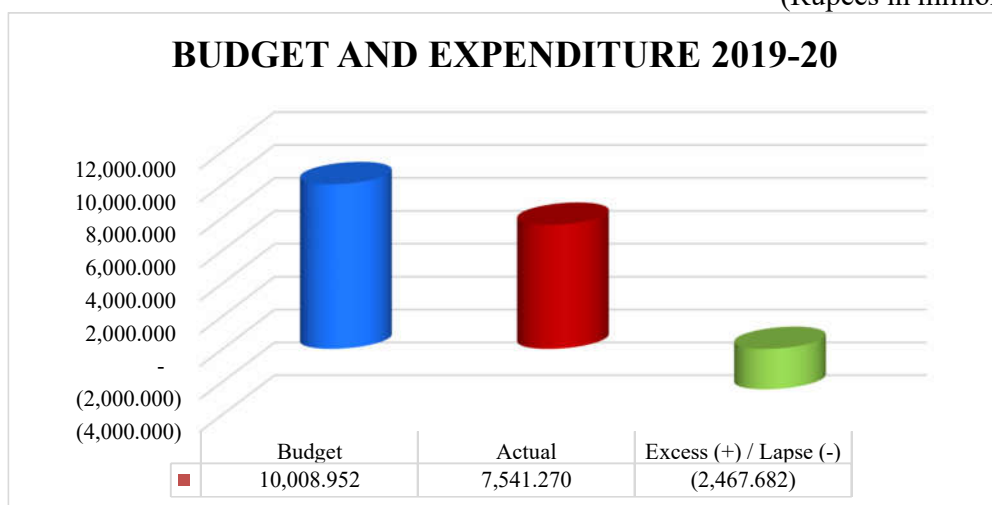
- a. An amount of Rs 9,598.177 million was provided for salary and non-salary expenditure. A massive lapse of Rs 2,196.732 million was observed, which accounts for 22% of the total budget.
- b. An amount of Rs 410.475 million was provided for development schemes, out of which an amount of Rs 139.825 million was utilized. The department did not utilize funds in a timely manner, resulting in a lapse of Rs 270.950 million i.e. 66%.



- c. Out of total development expenditure of Rs 139.825 million, an amount of Rs 32.924 million was spent for pay & allowances and operational expenses of literacy project. Out of remaining budget an expenditure of Rs 69.603 million was incurred for the purchase of physical assets and expenditure of Rs 37.298 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 2019-20.

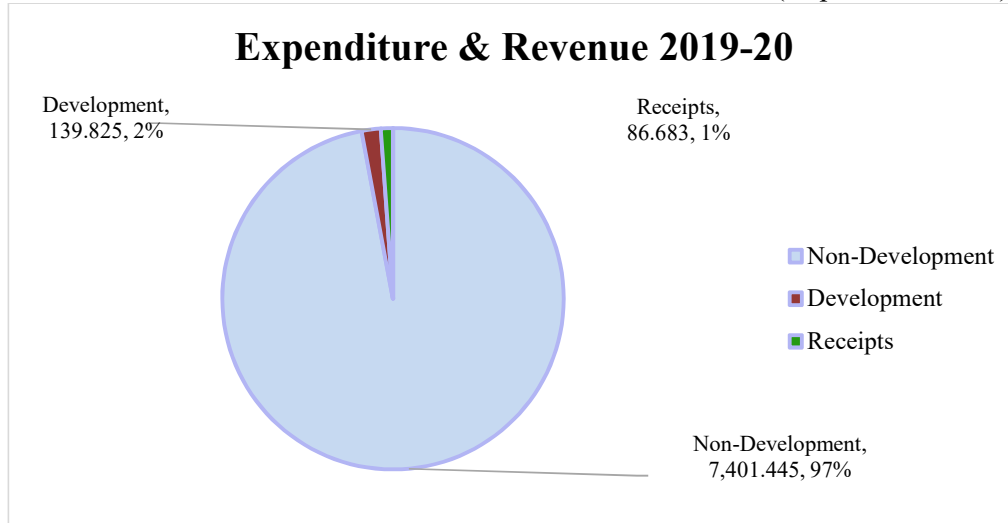
Graphical presentation of budget & expenditure is as under:

(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 180.875 million were raised as a result of this audit. This amount also includes recoverable of Rs 28.237 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	Procedural Irregularities	-
3A	HR/Employees related irregularities	78.272
3B	Procurement related irregularities	71.753
3C	Management of Accounts with Commercial Banks	0
4	Values for money and service delivery issues	1.080
5	Others	29.770
	<b>Total</b>	<b>180.875</b>

#### **11.2.4 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.

#### **Status of Previous Audit Reports**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	13	PAC not constituted
2	2018-19	28	PAC not constituted
3	2019-20	25	PAC not constituted

## AUDIT PARAS

### 11.3 Procedural Irregularities

#### 11.3.1 Overpayment of SSB and allowances after regularization of contract services – Rs 51.362 million

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

Audit observed that services of 1,077 employees working under the administrative control of five DDOs of District Education Authority (DEA), Toba Tek Singh were regularized during, 2019-20. However, the employees continued to draw inadmissible Social Security Benefit (SSB) and adhoc allowances at excessive rate after regularization of their services which resulted in overpayment of Rs 51.362 million. The details are as under:

(Rupees in million)

Sr. No.	Name of DDO	No. of Employees	Amount
1	Chief Executive Officer, DEA	798	40.660
2	Deputy DEO (EE-M), Toba Tek Singh	76	2.465
			0.631
3	Deputy DEO (EE-W), Toba Tek Singh	95	0.616
			0.243
		15	1.954
4	Deputy DEO (EE-M), Gojra	9	0.303
		3	0.209
5	Deputy DEO (EE-W), Gojra	77	3.652
		4	0.629
<b>Total</b>		<b>1077</b>	<b>51.362</b>

Due to dereliction of duties, pay of the employees was not fixed after regularization of their services.

Non-fixation of pay after regularization of contract services resulted in overpayment of SSB and adhoc allowances amounting to Rs 51.362 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. In DAC meeting held on 09.11.2020, it was replied that compliance regarding recovery of SSB & adhoc allowances through SAP is under progress. Furthermore, all remaining officials have been directed to deposit the overdrawn amount of SSB & adhoc allowances.

DAC directed DDOs concerned to ensure recovery of overpaid amount of SSB and adhoc allowances from the employees concerned and report progress at the earliest. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of SSB and adhoc allowances amounting to Rs 51.362 million from the employees concerned.

[AIR Paras: 17, 1, 4, 1, 2, 5, 5, 12, 6, 14]

### **11.3.2 Irregular and non-transparent procurements – Rs 50.638 million**

According to Rule 4 and 25(2) 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. A procuring agency shall determine specifications in a manner to allow the widest possible competition which shall not favor any single contractor nor put others at a disadvantage.

CEO, DEA, Toba Tek Singh and head teachers of 53 primary / elementary schools under the administrative control of three Deputy DEOs incurred expenditure of Rs 50.638 million on procurement of furniture, computers, library books, electric items etc. during, 2018-20 (**Annexure-E/TTS**). However, procurement process was held irregular and non-transparent on the following grounds:

- i. Financial bids were not opened within the bid validity period;
- ii. The firm supplied the computers without mentioning specifications of computers in the invoice;
- iii. Technical inspection was carried out without ensuring the specifications of computers as per financial proposal;
- iv. The bid prices were kept at artificial/non-competitive level;
- v. Bid Security/CDRs were returned before finalization/award of contract;
- vi. In some cases, same serial numbered invoices were claimed on different dates by the same suppliers.
- vii. Splitting of expenditure was observed while incurring expenditure by the School Councils of 53 schools.

Due to weak internal controls and dereliction of duties, procurements were made without observing procurement rules.

Procurements without observing procurement rules resulted in irregular and non-transparent procurements amounting to Rs 50.638 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. In DAC meeting held on 09.11.2020, it was replied that the procurements were made in transparent manner after necessary bidding processes. However, utmost care would be observed while incurring expenditure in future. The reply was not tenable because the procurement rules were not observed by the formations concerned.

DAC directed to probe the matter and conduct physical verifications of materials supplied besides regularization of expenditure from the Competent Authority. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault and regularization of expenditure from the Competent Authority.

[AIR Paras: 2, 4, 6,6,2,2, 13]

### **11.3.3 Unjustified payment of salaries through adjustments in payroll – Rs 20.355 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. 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.

Audit observed that 65 employees working under the administrative control of CEO, DEA, Toba Tek Singh withdrew pay and allowances amounting to Rs 20.355 million through adjustments in automated Payroll System of SAP/R3 during 2019-20 without justifying such adjustment supported by the ancillary record.

Due to weak financial controls, salaries were paid through adjustments without maintaining supporting record.

Payment of salaries without maintaining supporting record resulted in unjustified payment of Rs 20.355 million to the employees concerned.

The matter was reported to the PAO in September, 2020. In DAC meeting held on 09.11.2020, it was replied that directions had been issued to the concerned formations for production of ancillary record regarding adjustments.

DAC directed to ensure production of relevant record regarding adjustments and report progress within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides fixing responsibility on the person(s) at fault.

[AIR Para: 20]

#### **11.3.4 Irregular expenditure on civil works without approval of design and specifications – Rs 15.299 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 128 primary/elementary schools, under the administrative control of four Deputy DEOs of DEA, Toba Tek Singh incurred expenditure of Rs 15.299 million on construction of class rooms, soling, boundary walls, toilet blocks, earthwork and repair of school buildings etc. during, 2018-20. 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)

<b>Sr. No.</b>	<b>Name of DDO</b>	<b>No. of Schools</b>	<b>Amount</b>
1	Deputy District Education Officer (EE-M) TTS	18	2.326
2	Deputy District Education Officer (EE-W) TTS	29	3.487
3	Deputy District Education Officer (EE-M) Gojra	34	2.933
4	Deputy District Education Officer (EE-W) Gojra	47	6.553
<b>Total</b>		<b>128</b>	<b>15.299</b>

Due to negligence and non-compliance of School Council Policy, civil works were executed without preparation/approval of detailed designs and specifications.

Execution of civil works without preparation/approval of detailed design and specifications resulted in irregular expenditure amounting to Rs 15.299 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. In DAC meeting held on 09.11.2020, it was replied that the matter was under investigation and all heads of concerned schools had been directed to submit the files for regularization of expenditure.



DAC directed DDOs concerned to ensure production of detailed design/rough cost estimates besides regularization of expenditure from the Competent Authority within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

[AIR Paras: 3, 4, 1, 1]

### **11.3.5 Irregular expenditure without tenders/quotations – Rs 5.816 million**

According to Rules 9 and 12 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 upto Rs 2,000,000 shall be advertised on the PPRA's website.

Head teachers of 49 primary/elementary schools working under the administrative control of Deputy DEOs (EE-M & EE-W), Toba Tek Singh incurred expenditure of Rs 5.816 million on purchase of white wash material, furniture and plant & machinery etc. during, 2018-20. Audit observed that annual requirements of procurement were not determined by the School Councils. Furthermore, procurements were made either without calling 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)

<b>Sr. No.</b>	<b>Name of DDO</b>	<b>No. of Schools</b>	<b>Amount</b>
1	Deputy District Education Officer (EE-M) Toba Tek Singh	14	1.232
2	Deputy District Education Officer (EE-W) Toba Tek Singh	35	4.584
<b>Total</b>		<b>49</b>	<b>5.816</b>

Due to financial indiscipline, the purchases were made without planning and without observing procurement rules.

Purchases without planning and without observing procurement rules resulted in irregular expenditure of Rs 5.816 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. In DAC meeting held on 09.11.2020, it was replied that head teachers had been directed to explain and clear the position. However, the expenditure would be got regularized from the Competent authority.

DAC directed DDOs concerned to fix responsibility on the person(s) at fault besides regularization of expenditure from the Competent Authority and report progress within two weeks. No progress was intimated to Audit 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: 2, 3]

### **11.3.6 Payment of allowances without admissibility – Rs 3.674 million**

According to Government of the Punjab, Finance Department letter No. FD.PR-9-4/86(P) (PT.II)(PR) dated 21.08.2015, Conveyance Allowance is compensation to those employees who spend daily expenditure either to reach offices or back to home. Furthermore, according to Government of the Punjab, Education Department (Schools Wing) 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.

Audit observed that two DDOs of DEA, Toba Tek Singh paid Conveyance Allowance during vacations / complete closure of schools, Qualification Allowance, Personal Allowance and other allowances amounting to Rs 3.674 million to different employees without admissibility. The details are given on next page:

(Rupees in million)

Sr. No.	DDOs	Type of Allowance	Amount
1	Chief Executive Officer, DEA	Conveyance Allowance	2.056
		Personal Allowance	0.576
		Qualification Allowance	0.407
		Inadmissible Allowances	0.323
2	Deputy DEO (EE-W) Gojra	Conveyance Allowance	0.159
		Qualification Allowance	0.153
<b>Total</b>			<b>3.674</b>

Due to poor financial management, payment of inadmissible allowances was made to the employees.

Payment of inadmissible allowances resulted in excess payment of Rs 3.674 million to the employees concerned.

The matter was reported to the PAO and DDO concerned in September, 2020. In DAC meeting held on 09.11.2020, it was replied that concerned officers/officials had been directed to deposit the overdrawn amount of inadmissible allowances at the earliest.

DAC directed DDOs concerned to recover the overpaid amount from the employees concerned and report progress within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends early recovery of overpaid allowances amounting to Rs 3.674 million from the employees concerned.

[AIR Paras: 16, 14, 21, 22, 4, 12]

### **11.3.7 Excess payment of pay and allowances due to wrong fixation of pay – Rs 2.881 million**

According to Government of the Punjab, S&GAD letter No.DS(0&M)6-1/2009(Contract)PPB dated 27.05.2015, an appointment to a post of an eligible civil servant, through open competitive process shall be considered as direct appointment on contract and not re-employment. Furthermore, according to Clause 14(f) of the Recruitment Policy, 2016 for Educators & AEOs circulated vide No.SO(SE-IV)2~SO/2015 dated 19.01.2016, AEOs will be appointed on contract basis through District Recruitment Committee.

Fourteen teachers, working under the administrative control of CEO, DEA, Toba Tek Singh and Deputy DEO (EE-M), Gojra, were appointed as AEOs under the provisions of Recruitment Policy, 2016 by selection through open competitive process. Contrary to the above provisions, they continued to draw pay as regular employees and their pay was not revised due to which overpayment of Rs 2.881 million on account of pay & allowances was made to them. The details are given below:

(Rupees in million)

Sr. No.	Name of DDO	No. of Employees	Amount
1	CEO, DEA, Toba Tek Singh	13	2.757
2	Deputy DEO (EE-M), Gojra	1	0.124
<b>Total</b>		<b>14</b>	<b>2.881</b>

Due to weak internal and financial controls, pay of the employees was not fixed after their fresh appointments as AEOs.

Non-fixation of pay upon fresh appointments as AEOs resulted in excess payment of pay and allowances amounting to Rs 2.881 million.

The matter was reported to the PAO and DDO concerned in September, 2020. In DAC meeting held on 09.11.2020, it was replied that first increment awarded by the District Accounts Office on behalf of notification of S&GAD No.DS(O&M5-3/2004/CONTRACT(MF) dated 02-08-2007. The annual increment awarded on 01.12.2017 by the DAO as per letter of agreement section 2 according to entitlement of annual increase. The reply was not tenable because pay was not fixed in violation of recruitment policies and Government instructions.

DAC directed to probe the matter regarding wrong fixation of pay and report progress within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends re-fixation of pay besides recovery of excess paid pay and allowances amounting to Rs 2.881 million from the employees concerned.

[AIR Paras: 19, 9]

## **11.4 Value for Money and Service Delivery Issues**

### **11.4.1 Loss due to mis-procurement of furniture – Rs 1.080 million**

According to Rules 4, 31 & 35 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. 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.

During 2019-20, CEO, DEA, Toba Tek Singh made procurement of school furniture costing Rs 17.986 million. The procurement was made through tendering on the basis of lots which included desk bench, student/teacher chairs, computer tables, almirahs, white boards etc. However, purchases were made without devising financial bid evaluation criteria and financial bids were evaluated on the basis of lots instead of item wise offered rates due to which excess payment of Rs 1.080 million was made to the suppliers.

Due to dereliction of duties, procurements were made through specious evaluation of bids and unhealthy procurement process.

Procurements through specious evaluation criteria resulted in mis-procurement and loss of Rs 1.080 million to the DEA.

The matter was reported to the PAO in September, 2020. In DAC meeting held on 09.11.2020, it was replied that the matter had been referred to Managing Director Punjab Procurement Regulatory Authority for Clarification vide this office No. 3667/P&D dated 21-10-2020.

DAC directed DEO (EE-M) to investigate the matter for non-observing procurement rules and causing of loss due to selection of favorite bidders besides recovery of loss from the concerned and report progress within two weeks.

No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter besides recovery of loss from the concerned.

[AIR Para: 03]

## **11.5 Others**

### **11.5.1 Irregular expenditure without observing prescribed procedure – Rs 18.948 million**

According to Sections 3, 6, 9 to 12, 16 & 17 of the Punjab Seized and Freezed Institutions (Madaaris and Schools) Act, 2019, the Government shall constitute a Board to be known as Madaaris and Schools Management Board for the management and control of the institutions. The Board shall have the powers to acquire and dispose of a property and to enter into contracts, recruit and determine terms and conditions of employees of the institutions, formulate the budget of the institutions. The Directorate headed by Director shall manage the properties of the institutions and affairs of their students. All liabilities of the institutions, properties, movable or immovable, owned by institutions shall vest in the Board. The Board shall maintain complete and accurate books of accounts in such form and manner as may be prescribed. The Board shall submit a statement of estimated receipts and expenditure in respect of the next financial year to the Government for approval.

Chief Executive Officer, DEA, Toba Tek Singh made payment of Rs 18.948 million during 2019-20 for fulfillment of financial needs of taken over properties (Madaaris) of proscribed organizations in respect of salaries of the staff and contingent expenditure of the institutions. However, following discrepancies were observed in utilization of funds:

- i. Funds were utilized without establishing Madaaris and Schools Management Board and Directorate.
- ii. Rules, regulations, TORs, instructions, guidelines etc. regarding utilization of funds were not framed / forthcoming from the available record.
- iii. Funds were provided and utilized without preparation & approval of annual budget estimates of the institutions and without formulating forms and registers for preparation of accounts and financial statements.
- iv. Expenditure on salaries and wages of staff was incurred without any authentication / identification of detail of employees, their terms of appointment/service, salary structure etc.

- v. Record regarding delegation of administrative and financial powers was also not available and funds were disbursed without framing rules regarding procurement of goods and services etc. Contingent expenditure was incurred without maintaining record such as bills of vendors/service providers, sanction of competent authority etc.
- vi. Neither detail of properties, movable or immovable, owned by the taken over institutions nor any record regarding collection of fees and other sums received by the institutions was maintained.

Due to weak administrative controls, funds were utilized without framing rules, regulations & mandate and without maintaining prescribed record.

In the absence of mandate for utilization of funds, rules, regulations and record, legitimacy of the expenditure incurred amounting to Rs 18.948 million could not be ascertained.

Due to weak administrative controls, funds were utilized without framing rules, regulations & mandate and without maintaining prescribed record.

In the absence of mandate of utilization of funds, rules, regulations and record, legitimacy of the expenditure incurred amounting to Rs 18.948 million could not be ascertained.

Audit recommends to probe the matter besides regularization of expenditure from the Competent Authority.

The matter was reported to the PAO in September, 2020. In DAC meeting held on 09.11.2020, it was replied that Directorate had been established and School Board/Councils are being established vide Notification No. SO (A-1)1-1/Misc/2019 dated 10-05-2019. Further, the expenditure related to Madrissas which are not the part of the annual Budget of the DEA. The reply was not tenable because neither expenditure was incurred by devising SOPs nor were the vouched accounts relating to expenditure obtained from the concerned recipients.

DAC directed Deputy Director (Budget & Accounts) to probe the matter besides obtaining vouched accounts regarding details of expenditure and SOPs for



incurring expenditure within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends to take up the matter with the Government for regularization besides fixing responsibility.

[AIR Para: 05]

### **11.5.2 Payment of GST against ambiguous Sales Tax invoices – Rs 8.082 million**

According to Section 23 of 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 name, address and registration number of the supplier and 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 FBR Sales Tax Circular No.02 of 2019, issued vide C. No. ½-STB/2019, 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. Sales Tax can only be recovered from customer if supplier is registered and reflects the STRN on the invoice issued to customer.

During 2019-20, CEO, DEA, Toba Tek Singh and head teachers of 91 primary/elementary schools working under the administrative control of Deputy DEOs (EE-W & EE-M), Gojra incurred expenditure of Rs 58.174 million on procurement of furniture including desk bench, student/teacher chairs, computer table/chairs, almirahs etc. However, deposit of 80% of GST amounting to Rs 8.082 million by the suppliers on these procurements was held doubtful due to use of ambiguous invoices, as detailed below:

- i. Defective bills and flying Sales Tax Invoices were issued by the vendors because the vendor issued two invoices in same date from two different bill books.
- ii. In most of the cases invoices were not in chronological order.
- iii. In three cases Sales Tax Invoices issued by the vendors were dateless.

- iv. In most of the cases vendors did not mention particulars of goods supplied, amount exclusive of GST and amount of GST.
- v. The DDOs did not submit return to FBR for withheld 20% GST and also not obtained evidence for deposit of remaining 80% of GST by the suppliers.

Due to weak internal and financial controls, GST was paid to the suppliers against ambiguous invoices.

Payment of GST against ambiguous invoices and non-furnishing of returns created doubts about actual deposit of GST amounting to Rs 8.082 million by the suppliers concerned.

The matter was reported to the PAO and DDOs concerned in September, 2020. In DAC meeting held on 09.11.2020, it was replied that all the suppliers had deposited GST with FBR. The reply was not tenable because no proof regarding deposit of 80% GST and submission of returns was produced in support of reply.

DAC directed DDOs concerned either to obtain proof regarding deposit of 80% GST or recover and deposit the overpaid amount into relevant head of account and report progress with in two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends to probe the matter of ambiguous GST invoices besides ensuring deposit of GST with FBR.

[AIR Paras: 8, 3, 3]

### **11.5.3 Non-deduction of Income Tax and General Sales Tax – Rs 2.740 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 CEO, DEA Toba Tek Singh and head teachers of 226 primary/elementary schools working under the administrative control of Deputy DEOs (EE-W & EE-M), Gojra incurred expenditure of Rs 25.790 million for purchase of tablet phones, multimedia, LEDs, and rendering of services during 2019-20. However, excess payment of Rs 2.740 million was made to the suppliers/service providers due to non-deduction of Income Tax, GST and PST besides payment of GST on exempted / zero rated supplies. The details are as under:

(Rupees in million)

Sr. No.	Name of DDO	Description	Expenditure	Tax Amount
1	Chief Executive Officer, DEA	GST exempt	1.644	0.213
2	Deputy DEO (EE-M) Gojra	I.Tax on supplies	9.861	0.925
3	Deputy DEO (EE-W) Gojra	GST exempt	3.176	0.460
		I. Tax on supplies	9.937	0.956
		PST on Services	0.833	0.132
<b>Total</b>			<b>25.790</b>	<b>2.740</b>

Due to poor monitoring mechanism and weak financial controls, requisite taxes were not withheld from the payments made to the suppliers/vendors and GST was paid on exempted / zero rated supplies.

Non-deduction of taxes and payment of GST on exempted / zero rated supplies resulted in excess payment of Rs 2.740 million to the suppliers/service providers concerned.

The matter was reported to the PAO and DDOs concerned in September, 2020. In DAC meeting held on 09.11.2020, it was replied by the CEO that the

supplier submitted rates after inclusion of all taxes. Other DDOs replied that the matter would be probed and recovery would be made from the concerned.

DAC directed DDOs concerned to recover the overpaid amount of taxes from suppliers and deposit the same into the Government treasury and report progress within two weeks. No progress was intimated to Audit till finalization of this Report.

Audit recommends early recovery and deposit of taxes amounting to Rs 2.740 million.

[AIR Paras: 9, 8, 8, 9, 11]

## 12. District Education Authority (DEA) Khanewal

### CHAPTER 12.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Khanewal on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

2019-20	Budget	Actual	Lapse	Lapse (Per Cent)
Salary	10,171.473	8,212.421	1,959.052	19%
Non-salary	193.389	187.657	5.732	3%
Development	151.859	151.666	0.193	0%
<b>Total</b>	<b>10,516.721</b>	<b>8,551.744</b>	<b>1,964.977</b>	<b>19%</b>
Receipts	60.286	58.166	2.120	4%

(Source: Appropriation Accounts 2019-20)

Development includes an expenditure of Rs 151.666 million against an allocation of Rs 151.859 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 0.193 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 1,964.977 million was lapsed due to inefficient management.

## **Analyses of Appropriation Accounts and Financial Statements (Financial Attest Audit 2020-21)**

The following issues surfaced during Financial Attest Audit of District Education Authority Khanewal for the Audit Year 2020-21.

- Non-reconciliation of expenditure of District Education Authority Rs 8551.744 million
- Difference in revised budget grants recorded in original & revised schedule of authorized expenditure and grand summery of Appropriation Accounts – Rs 2,134.776 Million
- Defective preparation of books of accounts containing difference in figures of Public Account Receipts – Rs 76.917 million
- Less payment / transfer of Public Accounts Receipts to the quarter concerned – Rs 518.411 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 Khanewal was made on the basis of various quality indicators of Education Department for the financial year 2019-20. These indicators were introduced, implemented and monitored through PMIU (Punjab Monitoring Information Unit) being part of Chief Minister 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. Detail of targets and achievements is given on next page:

## Status regarding Indicators and their achievements for the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Quality indicators LND test results	LND	82	84	Achieved
Core Indicator	Students attendance (Kachi-12)	92	95	Achieved
	Teacher Presence	89	92	Achieved
	Head Teacher Presence	91	92	Achieved
	Availability of boundary wall	99	99	Achieved
	Availability of drinking Water	96	97	Achieved
	Availability of Furniture	68	37	Not Achieved
	Classrooms observations	91	93	Achieved
Infrastructure Indicators	Safe Building	-	-	-
	NSB Time Lines	-	-	-
	NSB Utilization	89	85	Not Achieved
	Sufficiency of Toilets	68	72	Achieved
Retention Indicators	Retention (Kachi-12)	98	98	Achieved
Monitoring and management Indicators	School Hygiene	82	85	Achieved
Hot Line Complaints resolution Indicators	On Time resolution	92	95	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 2020-21.

- Non-Production of Record worth Rs 33.501 million was reported in one case.
- Procedural Irregularities amounting to Rs 3.919 million were noticed in two cases.
- Value for Money and Service Delivery Issues involving Rs 118.538 million were noticed in two cases.

### iv. Service Delivery Issues

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

- Availability of furniture was targeted 68%, while it could be achieved only 37%, student could not avail class room furniture despite provision of huge non-salary budget.
- NSB utilization was targeted 89% but achieved only 85%. 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, timely releases of NSB, retention of students (K-12). The management failed in optimal utilization of NSB. Furthermore, targets pertaining to AEOs visits, student 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.



## **AUDIT PARAS**

### **12.1.1 Non-reconciliation of expenditure of District Health Authority – Rs 8,551.744 million**

According to rule 16 (e) of Punjab District Authorities (Accounts) Rules, 2017, Accounts Officer is responsible to reconcile the monthly and annual appropriation accounts of District Authority with the bank, budget and accounts officer, collecting officer and the drawing and disbursing officer.

DAO Khanewal paid Rs 8,551.744 million to District Education Authority Khanewal as per Appropriation Account during 2019-20 but the expenditure was neither reconciled with Budget and Accounts Officer nor with the DDOs. Non-reconciliation with concerned offices resulted in violation of the Government rules.

- Non-reconciliation of expenditure with concerned offices resulted in violation of Government rules.
- Weak internal controls on the part of DAO.

Audit recommends reconciliation of expenditure.

DAO replied that there is no such post of Budget & Accounts Officer in District Education Authority. However, the Principal Accounting Officer / CEO & Director Budget had dully signed semi-annual & annual appropriation accounts. The monthly receipts & expenditures are reconciled by the concerned collecting officers and DDOs respectively.

Committee directed the DAO to provide the reconciliation of expenditures for record verification.

**12.1.2 Difference in revised budget grants recorded in original & Revised Schedule of Authorized Expenditure and grand summery of Appropriation Accounts – Rs 2,134.776 million**

According to Section 2.1.6.3 of Chapter 2 of Financial Reporting Manual, the budget figures will be the aggregate budget at the disposal of the Division/Department (i.e. total of all grants available to DDO's within that District, or Division/Department in the case of SE's) and will be prorated to reflect the activity profile in the case of revenue expenditure. The figures will not be further analyzed to each separate grant (grant wise analysis will be possible through the "Grant -Expenditure Analysis" Statement in the Consolidated Accounts).

During financial attest audit of District Education Authority, Khanewal for financial year 2019-20 difference amounting Rs 2,134.776 million was discovered when the figure of Final Grant of Non-Development as reported in Original and Revised Schedule of Authorized Expenditure was compared with the same as reported in Grand Summary of Appropriation Accounts. The detail is given below:

Description	Original and Revised Schedule of Authorized Expenditure at Page No. IV	Amount as per Grand Summary of Appropriation Accounts at Page No. VII	Difference
Final grant / appropriation for Non-Development	8,230,085,384	10,364,862,298	2,134,776,914
Development Final grant / appropriation	151,858,554	151,858,554	0
<b>Total</b>	<b>8,381,943,938</b>	<b>10,516,720,852</b>	<b>2,134,776,914</b>

Audit recommends matter be investigated for preparation of correct Appropriation Accounts to avoid such lapses in future.

DAO replied that the Appropriation Accounts were system generated if any observation raised consult with the worthy Accountant General Punjab for rectification required in appropriation books of accounts.

DAO directed to provide the corrected appropriation account.

### **12.1.3 Defective preparation of books of accounts containing difference in figures of Public Account Receipts – Rs 76.917 million**

According to clause 14.5.1.1 of APPM cash transactions relating to the Public Account shall be reconciled as part of the routine monthly bank reconciliation process in accordance with Chapter 6 of this Manual, Bank Reconciliation.

District Accounts Officer, Khanewal did not reconcile the figures of “Trust & other Public Account Receipts” between the Financial Statements and SAP data of Public Accounts for the financial year 2019-20 pertaining to District Education Authority, Account-V of District Khanewal. The comparison of same head in SAP data with the Financial Statements revealed a difference of Rs 76.917 million as summarized below:

(Rupees in million)

District	Head of Account	DHA Account -V		
		Amount as per SAP	Amount as per Financial Statement	Difference
Khanewal	Trust & other public account-Receipts	16,141.458	16,218.375	-76.917

Audit recommends reconciliation of difference in figures of public accounts receipts of District Education Authority besides fixing of responsibility on the person(s) at fault.

DAO did not submit any reply.

DAC took a serious view of non-submission of reply by DAO. Committee directed the DAO to get the record verified.

### **12.1.4 Less payment / transfer of Public Accounts Receipts to the quarter concerned – Rs 518.411 million**

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.

District Accounts Officer, Khanewal made less payment / transfer of General Provident Fund, Benevolent Fund and Group Insurance deducted from the salaries of District Education Authority, Khanewal employees to the quarter concerned amounting Rs 518.411 million as compared to actual liability due during 2019-20. The details are given below, as detailed below:

Sr. No.	Description	Opening Balance	Receipt during the year	Total Payable	Payment made	Less Payment
1	G06103 - GPF (Civil)	416,407,002	387,342,362	803,749,364	416,481,330	387,268,034
2	G06215 - DEA Employees Benevolent Fund	130,118,616	117,412,961	247,531,577	130,163,595	117,367,982
3	G06411 - DEA Employees Insurance Fund	14,890,703	13,775,170	28,665,873	14,890,703	13,775,170
<b>Total</b>		<b>561,416,321</b>	<b>518,530,493</b>	<b>1,079,946,814</b>	<b>561,535,628</b>	<b>518,411,186</b>

(Reference Page No.7 of 4 of Finance Accounts)

Audit recommends justification and fixing of responsibility against the person at fault.

DAO replied that due to shortage of cash balances complete payments were not feasible. The balances will be transferred upon the availability of cash balances.

Committee decided to keep the Para pending till the full transfer of funds.

## **CHAPTER 12.2**

### **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 Educational Institutes
Chief Executive Officer (DEA)	1
District Education Officers (Secondary Education)	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:

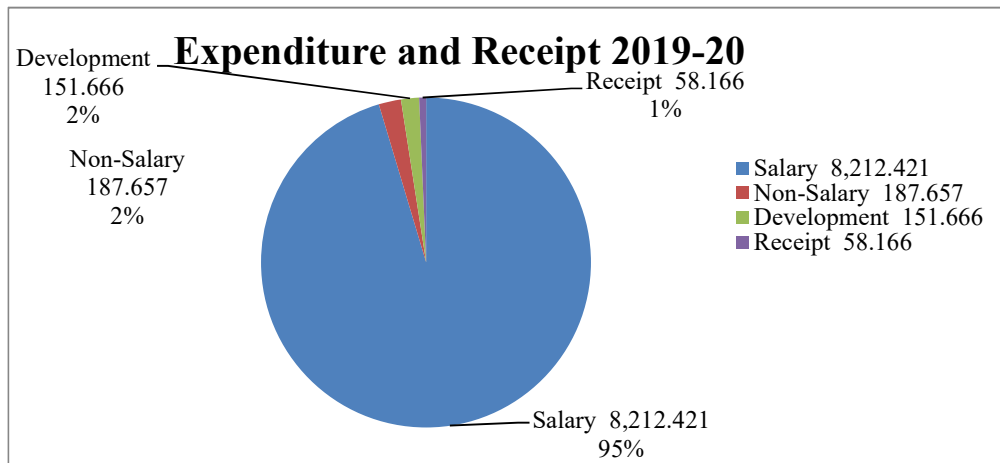
(Rupees in million)					
Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	269	05	1,307.302	19.356
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

## 12.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in Million)

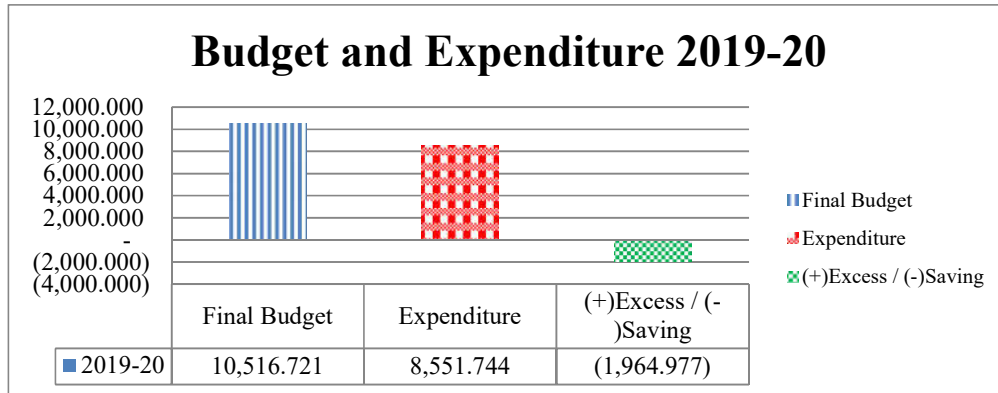
2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	10,171.473	8,212.421	(1,959.052)	-19%
Non-salary	193.389	187.657	(5.732)	-3%
Development	151.859	151.666	(0.193)	0%
<b>Total</b>	<b>10,516.721</b>	<b>8,551.744</b>	<b>(1,964.977)</b>	<b>-19%</b>
Receipts	60.286	58.166	(2.120)	-4%



As per the Appropriation Accounts for financial year 2019-20 of District Education Authority Khanewal, total original budget (Development and Non-Development) was Rs 10,224.769 million, supplementary grant was Rs 291.951 million and the final budget was Rs 10,516.721 million. Against the final budget, total expenditure of Rs 8,551.744 million was incurred by District Education Authority during financial year 2019-20. A saving of Rs 1,964.977 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)**

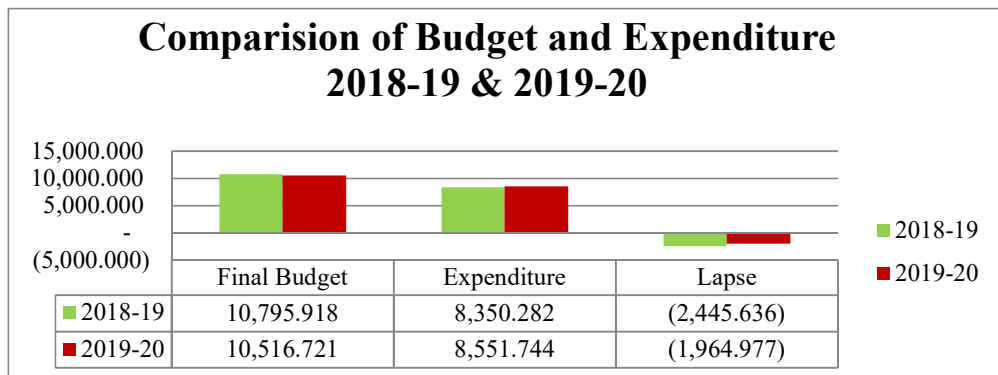
The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

(Rupees in million)



In Education Department savings of Rs 1,964.977 million (19% 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 2019-20. Further funds of NSB 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 in chart given on the following page:



There was -3% decrease and 2% increase in budget allocation and expenditure respectively incurred in financial year 2019-20 as compared to financial



year 2018-19, while there was overall savings of Rs 1,964.977 million during 2019-20.

### 12.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 155.958 million were raised as a result of this audit. This amount also includes recoverables of Rs 118.538 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	33.501
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Procedural Irregularities	1.977
A	HR / employees related irregularities	1.942
B	Procurement related irregularities	-
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	118.538
5	Others	-
	<b>Total</b>	<b>155.958</b>

### 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

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	18	PAC meeting was not convened
2	2018-19	34	PAC meeting was not convened
3	2019-20	22	PAC meeting was not convened

## AUDIT PARAS

### 12.3 Non-Production of Record

#### 12.3.1 Non-production of record – Rs 33.501 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”.

Following DDOs of DEA, Khanewal did not produce auditable record worth Rs 33.501 million pertaining to funds released to four Madaris & one school, sales tax deposit proof and record relating to payment of Inspection Allowance to AEOs during 2019-20. The DDOs did not produce the important record like vouchers, cash book, sanctions, stock registers, purchase process, reports of key performance indicators etc. The detail is as under:

(Rupees in million)		
Sr. No.	DDOs	Amount
1	Chief Executive Officer DEA Khanewal	27.503
2	Deputy DEO (EE-W) Khanewal	5.998
<b>Total</b>		<b>33.501</b>

Due to weak management the record was not produced.

Non-production of record created doubts about the legitimacy of expenditure incurred amounting to Rs 33.501 million 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, 2020. 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.13, 14, 4, 5, 17]

## **12.4 Procedural Irregularities**

### **12.4.1 Unjustified cash payment instead of cheque – Rs 1.977 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.

Chief Executive Officer District Education Authority Khanewal withdrew Rs 1.977 million from DDO bank account and disbursed in cash in violation of above rule. The amount was required to be paid disbursed through cross cheque.

#### **Annexure-C/KWL**

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

Non-observance of rules resulted in irregular payment of Rs 1.977 million.

The matter was reported to the PAO and DDO concerned in August, 2020. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated to Audit till finalization of this Report.

Audit recommends that expenditure be got regularized from the competent authority besides fixing responsibility on person(s) at fault.

[AIR Para: 18]

### **12.4.2 Irregular payment of pay & allowances without obtaining sanction of Finance Department - Rs 1.942 million**

According to Government of Punjab, Finance Department, Lahore letter 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 up to date) Sr. No.18 officer Category-I can sanction in respect of T.A. claims not more than three years old, and other claims not more than six years old.

Various DDOs under administrative control of Chief Executive Officer District Education Authority Khanewal withdrew amount of Rs 1.942 million on account of arrears of Adhoc Relief Allowance 2009, 2010, 2011 and 2012 during 2019-20. The allowances were paid without obtaining time barred sanction from Punjab Finance Department as claims pertained to more than six years old. The payment of pay & allowances without obtaining sanction of Punjab Finance Department resulted in violation of rules.

Due to weak financial control, claims of more than six years old were paid without obtaining sanction from Punjab Finance Department.

Payment of claims Rs 1.942 million more than six years old without obtaining sanction of Punjab Finance Department resulted in irregular payment.

The matter was reported to the PAO and DDOs concerned in August, 2020. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated to Audit till finalization of this Report.

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

[AIR Para: 3]

## 12.5 Value for Money and Service Delivery Issues

### 12.5.1 Unauthorized payment of social security benefits- Rs 73.824 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 unauthorized payment on account of 30% social security benefit of Rs 73.824 million from the teachers whose services were regularized during 2019-20. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Amount
1	CEO DEA Khanewal	39.940
2	Deputy District Officer (EE-W) Khanewal	15.098
3	Dy. District Education Officer (E.E-M), Mian Channu	3.360
4	Dy. District Education Officer (E.E-W), Mian Channu	15.081
5	GGHSS Kot Islam	0.345
<b>Total</b>		<b>73.824</b>

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 73.824 million.

The matter was reported to the PAO and DDOs concerned in August, 2020. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of Rs 73.824 million, besides fixing responsibility on the person(s) at fault.

[AIR Para No. 5,11,2, 3, 1, 2, 1]

### 12.5.2 Irregular withdrawal of conveyance allowance during vacations and leave period – Rs 44.714 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 44.714 million to various staff during 2019-20 on account of Conveyance Allowance during winter / summer vacations and leave period. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Chief Executive Officer, DEA Khanewal	44.714
2	Dy. District Education Officer (EE-M), Mian Channu	
3	Dy. District Education Officer (EE-W) Mian Channu	
4	GGHSS Kot Islam	
5	Deputy DEO (EE-W) Khanewal	
<b>Total</b>		<b>44.714</b>

Due to weak internal controls, inadmissible Conveyance Allowance was paid during winter and summer vacations and leave period.

Payment of Conveyance Allowance during winter/summer vacations and during leave resulted in undue payments and loss to the Government of Rs 44.714 million.

The matter was reported to the PAO and DDOs concerned in August, 2020. No reply was submitted by the concerned DDOs. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of Conveyance Allowance amounting to Rs 44.714 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No. 2,23,2,6,2,5,9 &3]

### 13. District Education Authority (DEA) Lodhran

#### CHAPTER 13.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Lodhran on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	4,580.057	4,057.513	(522.544)	-11%
Non-salary	34.638	34.604	(0.034)	0%
Development	87.611	86.882	(0.729)	-1%
<b>Total</b>	<b>4,702.306</b>	<b>4,178.999</b>	<b>(523.307)</b>	<b>-11%</b>

(Source: Appropriation Accounts 2019-20)

Development includes an expenditure of Rs 86.882 million against an allocation of Rs 87.611 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 0.729 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 523.307 million was lapsed due to inefficient management.

## **Analysis of Appropriation Accounts and Financial Statements (Financial Attest Audit 2020-21)**

The following issues surfaced during Financial Attest Audit of District Education Authority Lodhran for the Audit Year 2020-21.

- Non-reconciliation of expenditure of District Education Authority – Rs 4,178.999 million
- Difference in revised budget grants recorded in revised schedule of authorized expenditure and summary of Appropriation Accounts – Rs 614.091 million
- Difference in Opening Cash Balance of Account-V of District Education Authority – Rs 61.866 million
- Defective preparation of books of accounts containing difference in figures of Public Account Receipts – Rs 51.768 million

These issues were discussed in the clearing house meeting and commitment to take remedial measures was made by the Accountant General and Punjab Finance Department. 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 2019-20. These indicators were introduced, implemented and monitored through PMIU (Punjab monitoring Information Unit) being part of Chief Minister Roadmap 2014. The objectives of roadmap were to improve education standards through improved environment, improve admission of students and retention thereof, zero tolerance to student 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. Detail of targets and achievements is given on next page:



## Status regarding Indicators and their achievements for the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Quality indicators LND Test Results	LND	82	85	Achieved
Core Indicator	Students attendance (Kachi-12)	92	91.94	Not Achieved
	Teacher Presence	90	96.25	Achieved
	Head Teacher Presence	90	95.18	Achieved
	Availability of boundary wall	98	100	Achieved
	Availability of drinking Water	95	99.86	Achieved
	Availability of Furniture	70	89.94	Achieved
Infrastructure Indicators	Classrooms observations	80	96.62	Achieved
	Safe Building	98	99.86	Achieved
	NSB Time Lines	90	NT	Not Achieved
	NSB Utilization	90	92.52	Achieved
	Data Health	90	96.13	Achieved
Retention Indicators	Sufficiency of Toilets	86	97.38	Achieved
	Retention (Kachi-12)	97	99.52	Achieved
Monitoring and management Indicators	School Hygiene	80	92.57	Achieved
	Partial Facility	1	0.99	Not Achieved
Hot Line Complaints resolution Indicators	On Time resolution	90	92	Achieved

\*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 2020-21.

- Non-Production of Record worth Rs 17.489 million was reported in 01 case.
- Procedural Irregularities amounting to Rs 192.916 million were noticed in 08 cases.
- Value for Money and Service Delivery Issues involving Rs 1.145 million were noticed in 01 case.

- Other issues involving an amount of Rs 38.742 million were noticed in 03 cases.

#### **iv. Service Delivery Issues**

From the Data analysis of DEA Lodhran, no service delivery issues were observed.

#### **v. Expectation Analysis and Remedial Measures**

CEO (DEA) did not achieve its overall targets regarding provision of missing facilities in schools including availability of boundary wall and furniture, timely release of NSB, retention of students (K-12). The management failed in optimal utilization of NSB. Furthermore, targets pertaining to AEOs visits, student attendance and 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.

## **AUDIT PARAS**

### **13.1.1 Non reconciliation of expenditure of District Education Authority – Rs 4,178.999 million**

According to Rule 16 (e) of Punjab District Authorities (Accounts) Rules, 2017, Accounts Officer is responsible to reconcile the monthly and annual appropriation accounts of District Authority with the bank, budget and accounts officer, collecting officer and the drawing and disbursing officer.

DAO Lodhran paid Rs 4,178.999 million to District Education Authority Lodhran as per appropriation account during 2019-20 but the expenditure neither were reconciled with Budget and Accounts Officer nor with DDOs. The non-reconciliation with concerned offices resulted in violation of government rules.

- Non reconciliation of expenditure with concerned offices resulted in violation of government rules.
- Weak internal controls in the part of DAO

Audit recommends reconciliation of expenditure.

It is submitted that Expenditure has been reconciled/verified. It is therefore requested that the observation may be settled.

During DAC meeting, one-page summary of reconciliation was submitted. DAC did not accept the reconciliation statement and directed to revivify the reconciliation statement with department, it was decided to settle the para subject to verification of record.

### **13.1.2 Difference in revised budget grants recorded in original & revised schedule of authorized expenditure and grand summery of Appropriation Accounts – Rs 614.091 million**

According to Section 2.1.6.3 of Chapter 2 of Financial Reporting Manual, the budget figures will be the aggregate budget at the disposal of the Division/Department (i.e. total of all grants available to DDO's within that District,

or Division/Department in the case of SE's) and will be prorated to reflect the activity profile in the case of revenue expenditure. The figures will not be further analyzed to each separate grant (grant wise analysis will be possible through the "Grant -Expenditure Analysis" Statement in the Consolidated Accounts).

During financial attest audit of District Education Authority, Lodhran for financial year 2019-20 differences of Rs 614.091 million in original and revised schedule of authorized expenditure and grand summary of appropriation accounts by grant was found. The detail is as under:

(Rupees in million)

Description	Original and revised schedule of authorized expenditure	Amount as per Appropriation Accounts	Difference
Final grant/ appropriation	4,673,635,825	5,287,727,716	614.092

Difference in figure between original and revised schedule of authorized expenditure and grand summary of Appropriation Accounts may result in wrong presentation of accounts besides correction in all pages where figure reflect.

Audit recommends matter be investigated for preparation of correct Appropriation Accounts to avoid such lapses in future.

There is no difference in the figures of Appropriation Accounts of DEA Lodhran and figures of SAP/R-3 Budget Report YPFI\_BER\_001.

DAO stated that system does not take the amount surrender. Matter should be taken up with AG Punjab for correction.

### **13.1.3 Difference in opening cash balance of Account-V – Rs 61.866 million**

According to the opening and closing cash balances as reported by Manager NBP Lodhran on 19.09.2020 regarding cash balances of DEA and DHA bank accounts maintained in his branch.

DAO Lodhran shown opening cash balance on 1<sup>st</sup> July, 2019 Rs 173.854 million whereas, National Bank of Pakistan Lodhran branch reported opening cash

balances on 1<sup>st</sup> July, 2019 Rs 235.720 million of Account-V of District Education Authority Lodhran. Thus there was difference of Rs 61,866 million between DAO figure and NBP Lodhran figure. DAO Lodhran reported excess cash balance of Rs 61.866 million as compare to the balances provided by NBP branch manager, as detailed below:

(Rupees in million)

Particulars	Opening cash balances as per NBP Lodhran	Opening Cash Balance as per DAO Lodhran	Difference
Closing Cash Balance	235,720,591	173,854,437	61.866

Difference of figures creates doubts about the authenticity of financial statements.

Weak internal controls in the part of DAO.

Necessary correction should be made in the books of accounts.

It is submitted that there is no difference in opening cash balance of Account-V of District Education Authority. It is, therefore, requested that observation may be settled.

#### **13.1.4 Defective preparation of books of accounts containing difference in figures of Public Account Receipts – Rs 51.768 million**

According to clause 14.5.1.1 of APPM cash transactions relating to the Public Account shall be reconciled as part of the routine monthly bank reconciliation process, in accordance with Chapter 6 of this Manual, ‘Bank Reconciliation’

DAO Lodhran did not reconcile the figure of Trust & other Public Account–Receipts between the Financial Statements and SAP Data. The comparison of same head in SAP data with the Financial Statement revealed a difference of Rs 51.768 million, as summarized below:

(Rupees in million)

District	Head of Account	DEA Account–V		
		Amount as per SAP Data	Amount as per Financial Statement	Difference
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
Lodhran	Trust & other public account-Receipts	8,163.897	8,215.665	-51.768

Non-reconciliation of figures of public account receipts does not reflect true and fair view of books of accounts. Weak internal controls on the part of DAO

Audit recommends corrective measures in books of accounts.

It is submitted that the Finance Account and the Financial Statements are being prepared on the basis of SAP data and amounts are being calculated on the basis of pre-defined formulas. It is therefore requested that the observation may be settled.

Only final figure of GL-F02113 was provided, no proof of complete reconciliation was provided. DAC decided to keep the para pending.

## **CHAPTER 13.2**

### **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:

<b>Description</b>	<b>No. of Educational Institutes</b>
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:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	233	05	1718.125	20.080
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

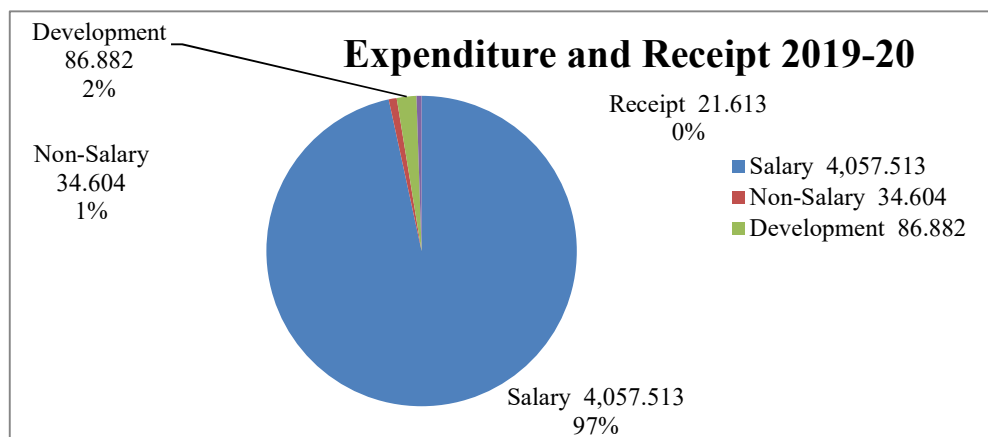
### 13.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in million)

District	2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Lodhran	Salary	4,580.057	4,057.513	(522.544)	-11%
	Non-salary	34.638	34.604	(0.034)	0%
	Development	87.611	86.882	(0.729)	-1%
	<b>Total</b>	<b>4,702.306</b>	<b>4,178.999</b>	<b>(523.307)</b>	<b>-11%</b>
	Receipts	22.615	21.613	(1.002)	-4%

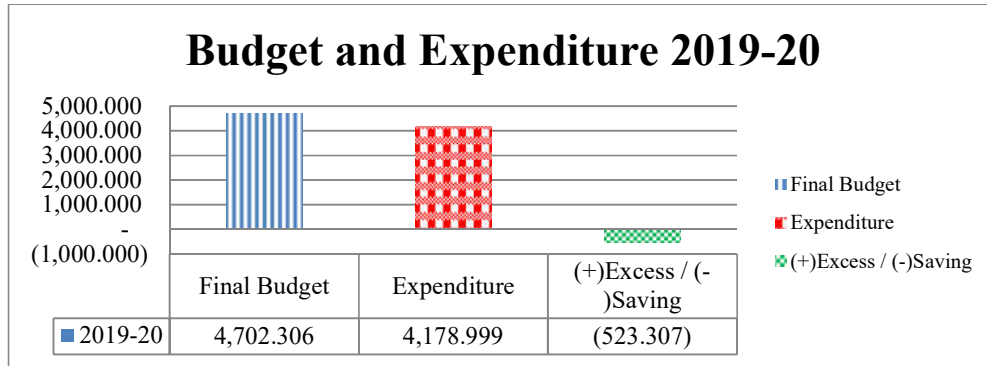
(Rupees in million)



As per the Appropriation Accounts of District Education Authority Lodhran for financial year 2019-20, the final budget was Rs 4,702.306 million against which total expenditure was Rs 4,178.999 million. A saving of Rs 523.307 million came to the notice of Audit which shows that the District Education Authority failed to provide services and improve infrastructure. No plausible explanation was provided by the PAO and management of District Education Authority Lodhran. **(Annexure-B).**

The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

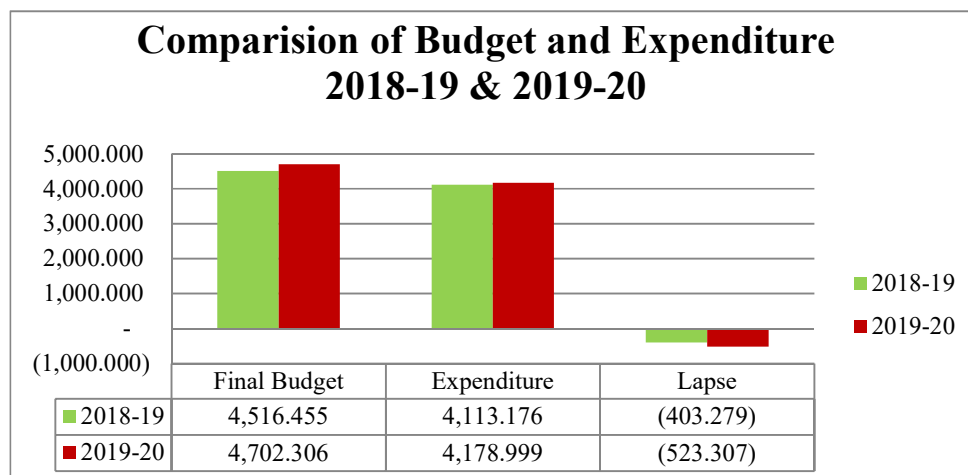
(Rupees in million)



In Education Department savings of Rs 523.307 million (11% 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 2019-20. Further NSB provided to School Councils was 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 4% and 2% increase in budget allocation and expenditure incurred respectively in Financial Year 2019-20 as compared to Financial Year 2018-19 while there was overall savings of Rs 523.307 million during 2019-20.

### 13.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 250.292 million were raised as a result of this audit. This amount also includes recoverables of Rs 60.072 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	17.489
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Procedural Irregularities	98.493
A	HR / employees related irregularities	27.742
B	Procurement related irregularities	66.681
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	1.145
5	Others	38.742
	<b>Total</b>	<b>250.292</b>

#### **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**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	15	PAC meeting was not convened
2	2018-19	31	PAC meeting was not convened
3	2019-20	24	PAC meeting was not convened

## AUDIT PARAS

### 13.3 Non-Production of Record

#### 13.3.1 Non-production of record – Rs 17.489 million

According to Section 14(1)(b) 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 administrative control of CEO (DEA) Lodhran did not produce record of expenditure amounting to Rs 17.489 million incurred during financial years 2019-20 under different objects codes of classification. Detail is given below:

(Rupees in million)			
Sr. No.	Para No.	DDOs	Amount
1	11	Dy. DEO (EE-W) Karoor Pakka	0
2	9	Dy. DEO (EE-W) Karoor Pakka	3.639
3	15	Dy. DEO(EE-W) Lodhran	7.080
4	19	Dy. DEO(EE-W) Lodhran	6.588
5	18	CEO (DEA) Lodhran	0.182
<b>Total</b>			<b>17.489</b>

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

Non-production of record created doubts regarding legitimacy of expenditure incurred amounting to Rs 17.489 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated to Audit till finalization of this Report.

Audit recommends that 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.11, 09, 15, 19 &18]

## **13.4 Procedural Irregularities**

### **13.4.1 Unauthorized sanction of expenditure beyond the delegated financial powers - Rs 93.213 million**

According to Serial 3 of First Schedule Part-I of the Punjab District Authorities (Delegation of Financial Power) Rules, 2017, District Education Officer (Literacy & Non-Formal Basic Education (BS-17) was officer in Category-III. Further, according to serial No.2 of the Second Schedule of the above rules, officers in Category-III were competent to sanction expenditure not exceeding Rs 1.500 million at a time against “Detailed Objects” in the budget estimate other than employee related expenditure specifically mentioned under this Schedule.

The District Officer (Literacy) Lodhran accorded sanction of Rs 93.213 million during 2017-20 on accounts of expenditure on stipend to NFBE, TSKL and ALC teachers beyond the delegated financial powers. The orders of appointment of the teachers were also not available with the claims. Audit further observed that DAO accounted for the expenditure by splitting and keeping it below the financial limit of Rs 100,000 to avoid process of authorization and issuance of cheques in the name of DDO.

Due to weak financial controls expenditure was sanctioned beyond the delegated financial powers and splitting the sanctions.

Sanction beyond the delegated financial powers and charging of expenditure by splitting the sanction in pieces resulted in irregular expenditure amounting to Rs 93.213 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated to Audit till finalization of this report.

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

[AIR Para No 3]

### 13.4.2 Irregular purchase of construction material without maintenance of record – Rs 33.673 million

According to NSB Guidelines for incurring the expenditure by high and higher secondary schools’ para no 5 purchase of goods “All schools will follow the Punjab procurement rules 2014 while purchases. As per condition no 9 of PPRA rules 2014 “Limitation on splitting of procurement – 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. Moreover, as per condition 12 Method of advertisement (1) Subject to rule 59, 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. Further, school council will prepare the Development Plan of School as per Annexure-C of Form-6.

During the course of audit, it was observed that various head teachers of primary and elementary schools under the administrative control of the Deputy District Officer (EE-W) Lodhran withdrew funds of Rs 33.673 million during the financial years 2018-20 on the accounts of purchases of material for construction / repair of school buildings, white washing, consumable items for cleanliness, uniform for students, stationary for students, other permanent assets etc. The expenditure held irregular as expenditures were made on different dates by splitting voucher in order to avoid tendering process or to obtained quotations. Further, the proper stock register was not maintained by head teachers. All entries relating to miscellaneous purchases were entered on single entry by making a general entry without showing details of issuance. The detail is given below:

(Rupees in million)

Particulars	Financial Year	Balance	NSB Received	Total NSB	Expenditure Incurred	Balance Unutilized
NSB in Schools under the administrative control of Dy. DEO (EE-W) Lodhran	2018-19	18.586	26.407	44.993	18.982	26.011
	2019-20	12.773	22.649	35.422	14.691	7.957
<b>Total</b>		<b>31.359</b>	<b>49.056</b>	<b>80.415</b>	<b>33.673</b>	<b>33.968</b>

Due to weak administration, expenditure from NSB was incurred in an irregular manner.

Non-observance of NSB Guidelines resulted in violation of rules and irregular expenditure of Rs 33.673 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated to Audit till finalization of this Report.

Audit recommends regularization of the expenditure & inquiry against responsible(s) besides proper monitoring of utilization of funds as per rules.

[AIR Para No. 17]

### **13.4.3 Irregular expenditure from NSB – Rs 33.008 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. 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 teachers of various schools under the administrative control of Deputy District Education Officer (EE-W) Kahrur Pacca incurred an expenditure of Rs 33.008 out of NSB during 2018-20. The schools did not maintain cash books of NSB on monthly basis. The entire expenditure was incurred by splitting the indents and small bills up to Rs 50,000 were drawn to avoid the tendering process. Further item specification was also not mentioned for rate analysis. The expenditure was incurred by cash withdrawal from bank in excess of permissible limit despite the fact that all registered firms had their bank accounts. The schools paid Sales Tax on exempted items like bricks, notebooks etc. and Punjab Sales Tax on services was also not deducted. The payment was made without quality /quantity certificate of purchases made / work done was available on record. The detail is as under:

(Rupees in million)		
<b>Period</b>	<b>Detail of NSB</b>	<b>Amount</b>
2018-20	Total Expenditure under NSB during 2018-19	33.008



Due to weak monitoring control the NSB was not incurred as per NSB guidelines.

Utilization of NSB against the guidelines resulted in irregular expenditure of Rs 33.008 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated to Audit till finalization of this report.

Audit recommends regularization of expenditure incurred out of NSB besides fixing of responsibility on the person(s) at fault.

[AIR Para No. 19]

#### **13.4.4 Unauthorized payment of conveyance / mobility allowance – Rs 19.848 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.

Following DDOs working under jurisdiction of CEO (DEA) Lodhran did not deduct conveyance / mobility allowance amounting to Rs 19.848 million from the teaching / non-teaching staff during vacations / leave period. Detail is given below:

<b>(Rupees in million)</b>			
<b>Sr. No.</b>	<b>Para No.</b>	<b>DDOs</b>	<b>Amount</b>
1	8	GGHS Jhandir Wala	0.336
2	13	Deputy DEO (EE-W) Karoor Pacca	1.416
3	16	Deputy DEO (EE-W) Karoor Pacca	0.345
4	1	GGHS Makhdoom Ali	0.235
5	9	Deputy DEO (EE-W) Lodhran	1.981
6	10	Deputy DEO (EE-W) Lodhran	1.813
7	14	CEO (DEA) Lodhran	0.680
8	19	CEO (DEA) Lodhran	13.042
<b>Total</b>			<b>19.848</b>

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 19.848 million.

The matter was reported to CEO and DDOs concerned in September 2020.No DAC was convened. No further progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of Rs 19.848 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Paras: 8, 13, 16, 1,9, 10, 14, &19]

#### **13.4.5 Excess payment of personal allowance - Rs 5.556 million**

According to the terms and conditions of regularization order of contract employees of the Education Department “the pay on the date of appointment shall be fixed at the initial of the respective pay scales and the increments already earned during the contract appointment period shall be converted into personal allowance”.

During the course of audit, it was observed that Deputy District Officer (EE-W) Lodhran withdrew Rs 5.556 million during financial year 2019-20 on the account of personal allowance of staff / teachers. However, excess payment was made to employees who were regularized w.e.f. 1.03.2013 and 5.01.2016 and upon the regularization of services, their pay was required to fix at the initial of the BPS in which they were regularized and the increment earned during the contract period were required to be fixed as personal allowance. However, the personal allowance was not fixed by the administration from the effective date of the regularization which resulted in wrong fixation of personal allowance and excess payment calculation remained responsibility of the DDO.

Due poor internal and financial controls, excess payment of personal allowance was made.

Above action of the management resulted in over payment of Rs 5.556 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated to Audit till finalization of this Report.

Audit recommends recovery from the concerned and deposited it into govt. account besides re-fixation of personal allowance.

[AIR Paras 6]

#### **13.4.6 Expenditure without deduction of taxes – Rs 5.280 million**

According to the Sales Tax Special Procedure (Withholding) Rules, 2007 vide Rule (2A) A withholding agent shall deduct an amount equal to one-fifth of the total sales tax shown on the sales tax invoice issued by persons registered as a wholesaler, dealer or distributor, and make the payment of the balance amount to him. Further, according to Government of the Punjab, Punjab Sales Tax Rules, 2012 letter No. PR/19/154 dated 08.05.2019 payment of Punjab sales tax on Sales Tax Reg. No. (STRN) is invalid. Punjab Sales tax should be paid to the firm if they use PNTN and invoice containing following particulars shall be considered valid for sales tax invoice: Name, Address and PNTN of service provider, name, address registration No. if any of the service recipient, description of service or services provided, value exclusive of tax, amount of the tax and value inclusive of tax.

Various head teachers of primary and elementary schools under the administrative control of Deputy District Officer (EE-W) Lodhran withdrew Rs 38.707 million out of NSB and purchased different type of goods / services but did not ensure payment of GST & Income Tax of Rs 5.280 million from various suppliers & persons. Further, GST invoices were also not obtained by the head teacher from the concerned suppliers. Tax was chargeable on the entire amounts of purchases by registered persons but either suppliers & persons had not charged in bills or otherwise not deposited in the Government treasury.

Due to weak internal controls, Punjab sale tax/ GST was not charged from labour supplier.

Non-payment of GST, IT & PST resulted in Loss to Government amounting to Rs 5.280 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated to Audit till finalization of this Report.

Audit recommends that amount of GST and Income tax be got deposited into Government treasury.

[AIR Para: 04]

#### **13.4.7 Irregular payment of charge allowance – Rs 1.250 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.

CEO DEA and Deputy District Officer (EE-W) Lodhran paid Charge Allowance amounting to Rs 1.250 million to AEOs and Head Teachers who were not entitled for the same as clarified vide above referred letter. Detail is given below:

<b>(Rupees in million)</b>		
<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Deputy District Officer (Elementary Education Female) Lodhran	1.192
2	CEO (DEA) Lodhran	0.058
<b>Total</b>		<b>1.250</b>

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 1.250 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated to Audit till finalization of this Report.

Audit recommends recovery of Rs 1.250 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No. 3 & 8]

#### **13.4.8 Payment of inadmissible allowances during leave – Rs 1.088 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 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.

The CEO DEA Lodhran sanctioned the leave of employees and different DDOs made payment of Rs 1.088 million during 2019-20 on account of Conveyance Allowance to different staff during the leave period. The allowance was required to be deducted from the salaries of the employees during leave period. Furthermore, the pay and allowances during EOL was paid to the employees despite inadmissibility. The calculation had been made from provided information. However, the department is requested to make actual recovery as per existing rules.

Due to weak internal controls, inadmissible allowances were paid during leave period.

Unauthorized payment of pay and allowances resulted in loss to the Government amounting to Rs 1.088 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated to Audit till finalization of this Report.

Audit recommends proper justification or recovery of excess pay and allowances.

[AIR Para No. 11]

## **13.5 Values for Money and Services Delivery Issues**

### **13.5.1 Non-refund of NSB from School transferred to PEF – Rs 1.145 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) Kahrora Pacca did not ensure recouped NSB balance from the schools amounting to Rs 1.145 million during 2019-20 which were shifted to Punjab Education Foundation. The funds were required to be refunded back into Government treasury but yet not refunded by the schools shifted to Punjab Education Foundation. The matter was also reported in last year audit report but the management did not ensure the refund of NSB from the schools transferred to PEF.

Due to negligence of the administrative authorities the unspent balance funds were not refunded back to treasury.

Non-refund of unspent balance funds may cause blockage of funds and non-utilization of funds for welfare of schools / students amounting to Rs 1.145 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated till finalization of this Report.

Audit recommends strict disciplinary action against person at fault besides refund of amount immediately.

[AIR Para No. 15]

## 13.6 Others

### 13.6.1 Payment of inadmissible SSB – Rs 32.330 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) Lodhran made excess payment of Rs 32.330 million on account of Social Security Benefit (SSB) after regularization of services of the contract employees during 2018-20 in violation of above rule. Detail is given below:

<b>(Rupees in million)</b>		
<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	GGHS Jhandir Wala	0.428
2	Dy. DEO (EE-W) Karoor Pacca	0.0947
3	Govt. GHS Makhdoom Ali	0.089
4	Dy. DEO (EE-W) Lodhran	31.719
<b>Total</b>		<b>32.330</b>

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

Payment of SSB after regularization resulted in loss of Rs 32.330 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 32.330 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para No. 1, 11, 2&11]

### **13.6.2 Unauthorized deviation in approved scope of schemes – Rs 3.797 million**

According to Administrative Approval vide letter No. P.D (Dev)/P&D/LDN/1337-A dated 31.08.2017, issued by the District Development Committee Lodhran for provision of IT Labs in High / Higher and Elementary Schools of District Lodhran, physical work shall start after fulfilment of all codal formalities and the executing agencies shall ensure that the schemes are completed within the stipulated time, the approved scope and cost. ADC (F&P), DD (Dev) and AD (Tech) may inspect the schemes to ensure that the approved scope of schemes is being implemented and in case of any violation, they will furnish recommendation against concerned officer(s) / official(s) of the executing agency.

The CEO DEA Lodhran executed the schemes of IT Labs High, Higher and Elementary Schools against the approved scope of schemes by deviation from PC-I/ Administrative Approval amounting to Rs 3.797 million during 2019-20. The purchases of items against the approved specifications and non-procurement of necessary items for IT labs were observed. In absence of such items the IT labs were not made functional.

Due to weak internal controls, expenditure on provision of IT labs was incurred against the approved scope of schemes.

Violation of PC-I/ Administrative Approval resulted in deviation of scope of schemes amounting to Rs 3.797 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated till finalization of this report.

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

[AIR Para No. 4]



### **13.6.3 Excess expenditure than provision of PC-I – Rs 2.615 million**

According to Administrative Approval vide letter No.P.D (Dev)/P&D/LDN/1337-A dated 31.08.2017, issued by the District Development Committee Lodhran for provision of IT Labs in High / Higher and Elementary Schools of District Lodhran, no cost overrun will be admissible and there shall be no cushion available to meet extra cost on any account. Additional funding / throw forward will not be admissible.

The CEO (DEA) Lodhran incurred excess expenditure amounting to Rs 2.615 million during 2019-20 on accounts of development schemes provision of IT Labs in High / Higher and Elementary Schools of District Lodhran. The IT equipment was purchased on excess rate than the rates of PC-I / Administrative Approval. The available funds for procurement of furniture and other items of IT equipment were utilized for payment of excess expenditure. The quantity of IT equipment was also reduced to meet the excess expenditure and IT equipment was installed without networking, server computer, interactive smart board and furniture. In absence of required equipment and furniture, the establishment of IT Labs was incomplete. **Annexure-C/LDN**

Due to weak financial controls, expenditure was incurred on provision of IT Labs in excess of PC-I and non-procurement of other items required for establishment of IT Labs.

Procurement of IT equipment on excess rates resulted in reduction in items purchased and loss of Rs 2.615 million.

The matter was reported to CEO and DDOs concerned in September 2020. No DAC was convened. No further progress was intimated till finalization of this Report.

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

[AIR Para No. 2]

## 14. District Education Authority (DEA) Multan

### CHAPTER 14.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Multan on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	11,279.568	9,047.195	(2,232.373)	-20%
Non-salary	481.996	152.490	(329.506)	-68%
Development	511.168	192.320	(318.848)	-62%
<b>Sub Total</b>	<b>12,272.732</b>	<b>9,392.005</b>	<b>(2,880.727)</b>	<b>-23%</b>
Receipts	12.299	13.281	0.982	8%

(Source: Appropriation Accounts 2019-20)

Development includes an expenditure of Rs 192.320 million against an allocation of Rs 511.168 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 318.848 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 2,880.727 million was lapsed due to inefficient management.

## **Analyses of Appropriation Accounts and Financial Statements (Financial Attest Audit 2020-21)**

The following issues surfaced during Financial Attest Audit of District Education Authority Multan for the Audit Year 2020-21.

- Non-reconciliation between payment figures of Bank & Appropriation account – Rs 80.239 million
- Non-reconciliation between data of Trust & Public account receipts, difference of Rs 72,553
- Difference in final grant figures of Appropriation Account of Rs 1,312.132 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 Multan was made on the basis of various quality indicators of Education department for the financial year 2019-20. 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. Detail of targets and achievements is given on next page:

## Status regarding Indicators and their achievements for the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Quality indicators LND test results	LND	82	83	Achieved
Core Indicator	Students attendance (Kachi-12)	92	94	Achieved
	Teacher Presence	90	95	Achieved
	Head Teacher Presence	90	95	Achieved
	Availability of boundary wall	98	100	Achieved
	Availability of drinking Water	95	99	Achieved
	Availability of Furniture	70	96	Achieved
	Classrooms observations	80	93	Achieved
Infrastructure Indicators	Safe Building	98	99	Not Achieved
	NSB Time Lines	90	12	Not Achieved
	NSB Utilization	90	59	Not Achieved
	Data Health	90	82	Not Achieved
	Sufficiency of Toilets	54	72	Achieved
Retention Indicators	Retention (Kachi-12)	97	82	Not Achieved
Monitoring and management Indicators	School Hygiene	80	91	Achieved
	Partial Facility	1	1	Achieved
Hot Line Complaints resolution Indicators	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 2020-21.

- Non-Production of Record worth Rs 46.589 million was reported in one case.
- Procedural Irregularities amounting to Rs 7.692 million were noticed in two cases.

- Value for Money and Service Delivery Issues involving Rs 3.291 million were noticed in one case.
- Other issues involving an amount of Rs 78.528 million were noticed in four cases.
- Pension Related Issues involving Rs 296.440 million were noticed in two cases.

**iv. Service Delivery Issues**

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

- NSB time lines was targeted 90%, while it could be achieved only 12%.
  - NSB utilization was targeted 90% but achieved only 59%. Delay in utilization of funds caused major hindrance in achievement of targets.
  - Under infrastructure indicator, data health was fixed 90% but achieved only 82%.
- v. Retention katci-12 was targeted 97%, while it could be achieved only 82%

**vi. 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. 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.

## AUDIT PARAS

### 14.1.1 Non-reconciliation between Payments Figures of Bank & Appropriation Account Rs 80.239 Million

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 audit of District Accounts Office Multan, it was found that there was difference of Rs 80.239 million between the payments Made by Bank & Expenditure Booked in the Appropriation Account for the Period of 2019-20.

(Rupees in million)

Period	Payment
Jul-19	639.881
Aug-19	647.562
Sep-19	848.941
Oct-19	683.887
Nov-19	905.557
Dec-19	861.106
Jan-20	773.872
Feb-20	770.644
Mar-20	806.018
Apr-20	743.179
May-20	839.338
Jun-20	952.259
<b>Total payment as per bank statement</b>	<b>9,472.244</b>
Total Expenditure As per FS page No.1 & Appropriation Account	9,392.005
<b>Difference (payment as per bank statement - Expenditure Booked in the Appropriation Account)</b>	<b>80.239</b>

Audit recommends that reconciliation be made and difference of the payment be sorted out.

There is no difference between payments made by the Bank & Expenditure booked in the Appropriation Account for the period of 2019-20.

Sap generated month wise detailed report of payment & expenditure booked for the year 2019-20 is attached herewith.

Reply is not tenable as the monthly payment made by bank was not reconciled and replied on monthly basis.

DAO replied that in bank payment there was cash only cash balance while in the appropriation account there is gross payment (including book transfers i.e. taxes and public fund receipts etc.). Reconciliation was not shown para kept pending.

#### **14.1.2 Non-reconciliation between data of Trust & Public Account Receipts, Difference of Rest 72,553**

According to Para 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 audit of District Accounts Office Multan, it was found that there was difference of Rs 72,553 between the Trust & Public Accounts Receipts data of Financial Statement and data proved as per SAP for the Period of 2019-20. The detail is as under:

(Amount in Rupees)

<b>Account-V</b>			
<b>Head of Account</b>	<b>Amount as per SAP Data</b>	<b>Amount As per Financial Statement</b>	<b>Difference</b>
Trust & other Public account Receipts	17,724,312	17,796,865	72,553

Audit recommends that reconciliation be made and difference of the receipts be sorted out.

Trust & other public account receipt as reported in the Financial Statement is tallied with SAP data.

SAP generated report is attached herewith. Reply was not tenable.



Only final figure of GL-F02113 was provided, no proof of complete reconciliation was provided. DAC decided to keep the para pending.

### **14.1.3 Difference in Final grant figures of Appropriation Account – Rs 1312.132 million**

According to Para 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 examination of Appropriation Account, it was found that there was difference in figures final grant of Rs 1,312.132 million as mentioned in the summary of appropriation account as detailed mentioned below:

(Rupees in million)

<b>Appropriation Page No.</b>	<b>Grant No.</b>	<b>Original Grant</b>	<b>Supplementary Grant</b>	<b>Final Grant</b>
5	15	11451.730	309.834	10,554.122
13	36	407.286	103.882	406.477
<b>Total 16 &amp; 32</b>		11,859.016	413.715	413.715
<b>Figures As per Grant Summary of Appropriation Account Page No. VII</b>		11,859.016	413.715	413.715
<b>Difference</b>				<b>1312.132</b>

Audit recommends difference be traced and correction be made.

There is no difference in the figure of final grant mentioned in the summary of appropriation accounts. At page No.12 of appropriation accounts (copy attached), an amount of Rs 1,207,441,754 was surrendered in grant No.15 for the financial year 2019-20. At page No.12 of appropriation accounts, an amount of Rs 1,046,690,897 was surrendered in grant No.36 for the financial year 2019-20. Total amount of both the grants is equal to the difference amount i.e. Rs 1,312,132,651 which is shown in the audit para.

At page No. 5 and 13 the correction is still awaited so that the surrender amounts effect should be reflected at Page No. 5 and 13 of Appropriation Account.

DAO told that due to system base format surrender amount was not able to include on the said pages due to which there was difference. DAC did not accept the reply and it was decided that policy decision about the format of the Appropriation account be taken and para kept pending.

## **CHAPTER 14.2**

### **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:

<b>Description</b>	<b>No. of Educational Institutes</b>
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 table given on next page shows detail of total & audited formations of DEA Multan:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	228	05	815.333	-
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

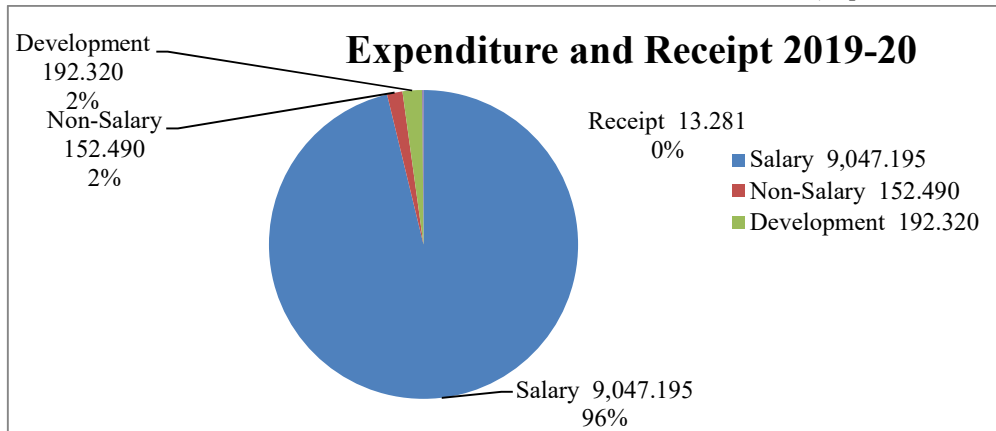
#### 14.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in Million)

2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	11,279.568	9,047.195	(2,232.373)	-20%
Non-salary	481.996	152.490	(329.506)	-68%
Development	511.168	192.320	(318.848)	-62%
<b>Sub Total</b>	<b>12,272.732</b>	<b>9,392.005</b>	<b>(2,880.727)</b>	<b>-23%</b>
Receipts	12.299	13.281	0.982	8%

(Rupees in million)

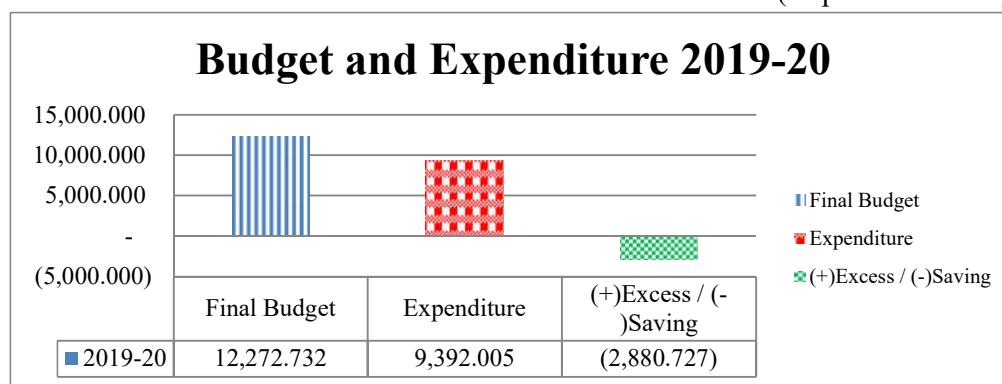


As per the Appropriation Accounts for financial year 2019-20 of District Education Authority Multan, total original budget (Development and Non-Development) was Rs 11,859.016 million, supplementary grant was Rs 413.715

million and the final budget was Rs 12,272.731 million. Against the final budget, total expenditure of Rs 8,551.744 million was incurred by District Education Authority during financial year 2019-20. A saving of Rs 2,880.727 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**).

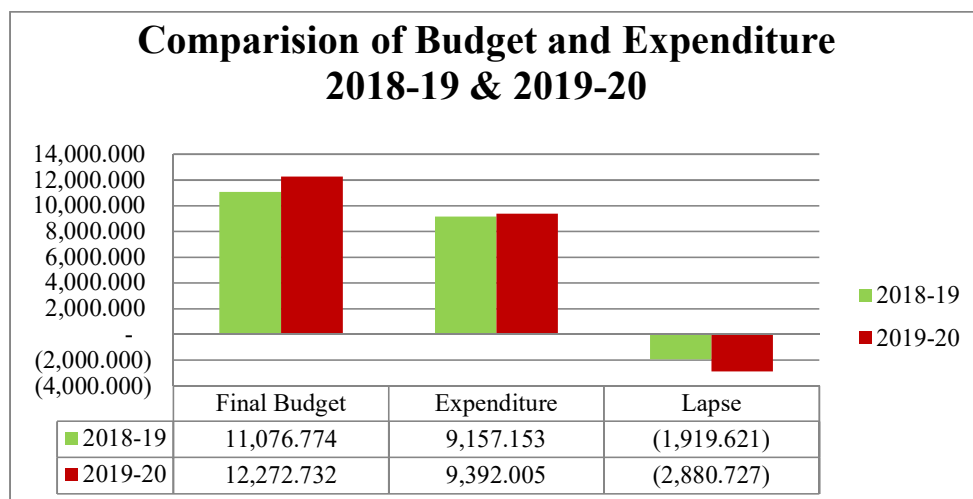
The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

(Rupees in million)



In Education Department savings of Rs 2,880.727 million (23% 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 2019-20. 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 11 % and 3% increase in budget allocation and expenditure incurred respectively in financial year 2019-20 as compared to financial year 2018-19, while there was overall savings of Rs 2,880.727 million during 2019-20.

#### 14.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 136.100 million were raised as a result of this audit. This amount also includes recoverables of Rs 79.578 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	46.589
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Procedural Irregularities	-
A	HR / employees related irregularities	-
B	Procurement related irregularities	7.692
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	3.291
5	Others	78.528
<b>Total</b>		<b>136.100</b>

#### **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**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	15	PAC meeting was not convened
2	2018-19	24	PAC meeting was not convened
3	2019-20	29	PAC meeting was not convened



## AUDIT PARAS

### 14.3 Non-Production of Record

#### 14.3.1 Non-production of record – Rs 46.589 million

According to Clause 14 (2)(b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “the officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition”.

The following DDOs of the District Education Authority Multan did not produce the record of expenditure on account of inspection allowance, leave encashment, remuneration to the teachers of Non-Formal Education Institutions and receipt of funds in the bank account amounting to Rs 46.589 million during 2019-20 despite repeated requests. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Saddar Multan	Irregular withdrawal of inspection allowance by the AEOs without maintenance of record	12.015
2	CEO DEA Multan	Non-production of record of payment of leave encashment	0.568
3	CEO DEA Multan	Non-production of record of remuneration to the teachers of NFEIs	29.227
4	DO (Special Education) Multan	Receipt of funds in bank account without maintenance of record and entry in cash book	4.779
<b>Total</b>			<b>46.589</b>

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

Non-production of record created doubts regarding legitimacy of expenditure of Rs 46.589 million.

The matter was reported to the PAO / DDOs concerned in October, 2020. The DO (Special Education) Multan replied that the surplus money belongs to auction amount of school buses and will be deposited in the treasury soon. The reply was not acceptable as no record was shown to Audit. No reply was submitted by the

remaining DDOs till the finalization of this report. DAC meeting was not convened despite repeated efforts made by Audit. No progress was intimated till the 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) at fault.

[AIR Para: 15, 27, 41, 14]

## 14.4 Procedural Irregularities

### 14.4.1 Irregular expenditure without proper stock entries and consumption record - Rs 6.642 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 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.

The DO Special Education and heads of Elementary & Primary schools under the administrative control of following DDOs incurred expenditure amounting to Rs 6.642 million during 2018-20 on account of different store items like panaflex, stationery, printing material and cleaning items in bulk without maintenance of stock registers and consumption record. The detail is given below:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Saddar Multan	Irregular expenditure without proper stock entries and consumption record	2.711
2	Dy. DEO (EE-M) City Multan	Doubtful purchase of consumable items without stock entries	2.323
3	DO Special Education Multan	Irregular higher expenditure on purchase of panaflex brushes from the head of advertisement and publicity without consumption record and availability of stock in store	0.892
4	DO Special Education Multan	Irregular higher expenditure on purchase of Stationary and doubtful purchase of paper rim without consumption record	0.716
<b>Total</b>			<b>6.642</b>

Due to weak internal controls, doubtful expenditure was incurred without proper stock entries and consumption record.

Violation of the Government rules resulted in irregular expenditure amounting to Rs 6.642 million.

The matter was reported to the PAO / DDOs concerned in October, 2020. No reply was submitted till the finalization of this report. DAC meeting was not convened despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

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

[AIR Para: 13, 14, 11, 12]

#### **14.4.2 Loss due to purchase of school buses from other than lowest bidder – Rs 1.050 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 District Officer (Special Education) Multan incurred excess expenditure of Rs 1.050 million during 2019-20 on purchase of three school buses on excess rate of Rs 0.350 million each due to purchase from the company other than the lowest bidder. The buses were purchased under scheme “Provision of transport facility” and quotations were called from three companies in August, 2019. The lowest bid of Rs 6.150 million per bus was given by Mitsubishi FUSO Master, but buses were purchased from the Hino Pak at Rs 6.500 million per bus without recording any reason on the record. The purchase committee did not prepare the comparative statement and approval was taken on the note sheet for purchase of buses from the Hino Pak without mentioning any reason in the record.

Due to weak financial controls, purchases were made on higher rates from the company other than the lowest bidder.

Purchase of buses on higher rates resulted in loss of Rs 1.050 million.

The matter was reported to the PAO / DDO concerned in October, 2020. No reply was submitted till the finalization of this report. DAC meeting was not convened despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends inquiry at appropriate level besides recovery of loss and fixing responsibility on the person(s) at fault.

[AIR Para: 05]

## **14.5 Value of Money and Service Delivery Issues**

### **14.5.1 Non-refund of NSB from the schools privatized by the Government - Rs 3.291 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.

The Dy. DEO (EE-W) Saddar Multan did not take proper action for refund of unspent amount of NSB amounting to Rs 3.291 million during 2018-20 from the schools which were privatized by the Government and handed over to different NGOs under PEF. The funds were required to be deposited in the Government treasury but the same was not transferred up to the dates of Audit. **Annexure-C/MLN**

Due to weak internal controls, unspent balance was not deposited / returned to the Government.

Non-deposit of unspent balance in the Government accounts resulted in blockage of funds and may result in misappropriation of funds amounting to Rs 3.291 million.

The matter was reported to the PAO / DDO concerned in October, 2020. No reply was submitted till the finalization of this report. DAC meeting was not convened despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends immediate deposit of funds into the Government accounts besides fixing responsibility on the person(s) at fault.

[AIR Para: 03]

## 14.6 Others

### 14.6.1 Excess payment of conveyance and personal allowances - Rs 54.029 million

According to clarification issued by Government of the Punjab, Finance Department, Lahore letter No.FD.PR.21-35/2013 dated 14.12.2016 conveyance allowance is not admissible to staff of vacation departments. Further, according to Accountant General Punjab Lahore letter No.HR/AB/CD-1033 dated 11.06.2019 that conveyance allowance is required to be deducted during summer vacations of education department employees who are availing summer vacations. Further, according to Government of the Punjab, School Education Department, Lahore notification No.SO (A-I) I-31/2008 dated 13.3.2020 that all school remain closed and closure will be treated as summer vacations.

The following DDOs of the District Education Authority Multan paid Rs 54.029 million during 2019-20 to different staff despite the same was not admissible. The conveyance allowance was not admissible during leaves and vacation periods. Furthermore, the excess personal allowance was paid to the staff/ teachers who were regularized w.e.f 19.10.2009 and 07.08.2015. On regularization of services, the pay was required to fix at initial of the BPS in which they were regularized and the increment earned during the contract period were required to be fixed as personal allowance. However, the personal allowance was not fixed by the administration from the effective date of the regularization resulting wrong fixation of personal allowance and excess payment. The details are as under:

(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	DDEO (EE-W) Saddar Multan	Conveyance Allowance during closure of schools	3.853
2	DDEO (EE-M) Shujabad		0.989
3	DDEO (EE-M) Shujabad	Conveyance Allowance during leave	0.043
4	DDEO (EE-M) City Multan	Conveyance Allowance during summer vacation	0.283
5	DO Special Education Multan	Conveyance Allowance	0.268
6	CEO DEA Multan	Conveyance Allowance during closure of schools	27.713
			18.437
7	Dy. DEO (EE-M) Shujabad	Excess payment of personal allowance	0.204
8	Dy. DEO (EE-M) City Multan		2.239
<b>Total</b>			<b>54.029</b>

Due to weak financial controls, unauthorized conveyance and personal allowances were paid.

Unauthorized payment of conveyance allowance resulted in loss of Rs 54.029 million.

The matter was reported to the PAO / DDOs concerned in October, 2020. No reply was submitted till the finalization of this report. DAC meeting was not convened despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 54.029 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para: 01, 06, 07, 08, 02, 21, 23, 02, 11]

#### **14.6.2 Withdrawal of social security benefits after regularization of service – Rs 13.135 million**

In pursuance of Government of the Punjab, School Education Department's 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 the Contract Recruitment Policy 2011/2012 were to be appointed on Regular Basis with effect from 07.08.2015 against the post presently held by them subject to the condition (vide No. 4&5 of terms & condition of regularization) that they will not be entitled to the payment of 30% Social Security Benefit in lieu of pension of any package being drawn by them and their pay shall be fixed at the initial of the respective pay scales.

The following DDOs of the District Education Authority Multan made payment amounting to Rs 13.135 million during 2019-20 on account of 30% Social Security Benefit (SSB) in lieu of pension to those contract employees whose services were regularized. The excess payment / recovery has been calculated from available HR data therefore, the department is requested to make actual recovery from the dates of actual regularization. The detail is given on the next page:



(Rupees in million)

Sr. No.	DDOs	Description	Amount
1	Dy. DEO (EE-W) Saddar Multan	Withdrawal of social security benefits after regularization of service	3.787
2	Dy. DEO (EE-M) Shujabad	Withdrawal of social security benefits after regularization	0.137
3	Dy. DEO (EE-M) City Multan	Withdrawal of social security benefits despite regularization of employees	9.211
<b>Total</b>			<b>13.135</b>

Due to weak internal controls, 30% SSB was paid despite regularization of service.

Withdrawal of SSB after regularization of services resulted in loss of Rs 13.135 million.

The matter was reported to the PAO / DDOs concerned in October, 2020. No reply was submitted till the finalization of this report. DAC meeting was not convened despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

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

[AIR Paras: 09, 01, 12]

#### **14.6.3 Excess withdrawal of honorarium for evening shift classes – Rs 8.834 million**

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

Further, according to Government of the Punjab Schools Education Department Notification No.SO (DEA) 1-46/2017 dated 17.08.2018, the existing

policy was revised to the extent of allowing payment of honorarium to the concerned staff on a proportionate basis i.e. it should be proportionate to the actual enrollment.

The following DDOs of the District Education Authority Multan drew funds during 2018-19 on account of honorarium to the teachers of evening shift classes. Scrutiny of record revealed that excess payment of honorarium amounting to Rs 8.834 million was made as the payment criteria i.e. proportionate of actual enrolment was ignored and payment was made on full rates. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Saddar Multan	6.957
2	Dy. DEO (EE-M) City Multan	1.877
<b>Total</b>		<b>8.834</b>

Due to weak internal controls, excess funds were withdrawn and paid to the concerned staff.

Excess withdrawal of funds resulted in loss of Rs 8.834 million.

The matter was reported to the PAO / DDOs concerned in October, 2020. No reply was submitted till the finalization of this report. DAC meeting was not convened despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 8.834 million from the concerned besides fixing responsibility on the person(s) at fault.

[AIR Para: 07, 02]

#### **14.6.4 Purchase of school buses on higher rates - Rs 2.530 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 District Officer (Special Education) Multan purchased school buses on higher rates and made excess payment of Rs 2.530 million during 2019-20. The excess rates were paid than the rates of approved PC-1 which were approved after market rates survey during the same financial year. The detail is given below:

(Rupees in million)

Name of Scheme	Description	Invoice Date	Rate Paid	Rate of PC-1	Excess Payment
Strengthening of Government Shadab School Multan and Government School for PDC Multan Scheme No.691	One Hino AC Coaster 30 seats	18.06.19	9.200	7.500	1.700
Establishment of Degree College for Special Education Multan	One Mitsubishi FUSO Master	19.06.20	6.430	5.600	0.830
<b>Total</b>					<b>2.530</b>

Due to weak financial controls, purchases were made on higher rates.

Purchase of buses on higher rates resulted in loss of Rs 2.530 million.

The matter was reported to the PAO / DDO concerned in October, 2020. No reply was submitted till the finalization of this report. DAC meeting was not convened despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends inquiry at appropriate level besides recovery of loss and fixing responsibility on the person(s) at fault.

[AIR Para: 04]

## 14.7 Pension Payment related issues

### 14.7.1 Non-production of pension payment record of District Government period - Rs 179.520 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.

CEO of DEA Multan did not provide the pension payment record of Rs 179.520 million for the period of District Government i.e. July-2015 to June-2017. Record was not provided i.e. cash book, bank statements, establishment control register, service books of the employees, issuance of PPO register, Payment vouchers for the period, sanction and payment of gratuity and all other necessary certificates required before disbursing the pensions. This resulted in doubtful payment of Rs 179.52 million.

(Rupees in million)

No. of Pensioners	Average Monthly Pension	Period	Months	Payment (Approximate)
374	20,000	July-2015 to Jun-2017	24	179.520

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 179.520 million.

The matter was reported to the CEO of District Education Authority in December, 2020. 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. 07]

#### **14.7.2 Non-receipt of share of pension contribution from Municipal Corporation - Rs 116.920 million**

According to letter of Finance department vide No. FD(DG&PFC)1 instruction Act 13/2016 (pension) dated 7.11.2018, it has been clarified that successor Local Government Zila council /TMAs shall pay pension contribution to concern District Education / District Health Authorities @ 40% of basic pay for the period of concerned employees of education and health sector of worked there

Chief Executive officer of CEO of DEA Multan, made the payment of capital gratuity portion of Municipal service and monthly pension without receiving the pension contribution of Rs 116.92 million from the Municipal corporations during July-2017 to June-2020. CEO did not collect 40% pension contribution of Rs 116.920 million from the Municipal Corporation for the payment gratuity of service portion of the Municipal Corporation period and monthly pension. Payment was irregular and requires recovery of Rs 116.92 million from the Municipal Corporation.

#### **Annexure-D/MLN**

Due to weak management irregular payment was made of MC Service period without receiving of 40% pension contribution.

Non-compliance of Government instructions resulted into irregular payment of crudity without receiving of outstanding share of 40% pension contribution of Rs 116.92 million.

The matter was reported to the CEO of District Education Authority in December, 2020. 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 matter be taken au with the authorities and outstanding amount be recovered besides fixation of responsibility on person(s) at fault.

[AIR Para No. 2, 3]

## 15. District Education Authority (DEA) Pakpattan

### CHAPTER 15.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Pakpattan on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	4,595.417	4,085.932	(509.485)	-11%
Non-salary	62.561	0.945	(61.616)	-98%
Development	259.186	84.319	(174.867)	-67%
<b>Sub Total</b>	<b>4,917.164</b>	<b>4,171.196</b>	<b>(745.968)</b>	<b>-15%</b>

(Source: Appropriation Accounts 2019-20)

Development includes an expenditure of Rs 84.319 million against an allocation of Rs 259.186 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 174.867 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 745.968 million was lapsed due to inefficient management.

## **Analysis of Appropriation Accounts and Financial Statements (Financial Attest Audit 2020-21)**

The following issues surfaced during Financial Attest Audit of District Education Authority Pakpattan for the Audit Year 2020-21.

- Non-reconciliation of expenditure of District Education Authority – Rs 4,171.196 million
- Difference in revised budget grants recorded in original & revised schedule of authorized expenditure and grand summery of Appropriation Accounts – Rs 36.040 million
- Difference in revised budget grants recorded in appropriation account and SAP BER Sheet data final budget – Rs 10.656 million
- Discrepancies in Financial Statements / Finance Accounts / Appropriation Accounts
- Difference in closing balance – Rs 588,295

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 2019-20. 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. Detail of targets and achievements is given on next page:

## Status regarding Indicators and their achievements for the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
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 wall	98	95.80	Not Achieved
	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 2020-21.

- Non-Production of Record worth Rs 18.930 million was reported in 01 case.
- Procedural Irregularities amounting to Rs 37.557 million were noticed in 03 cases.
- Value for Money and Service Delivery Issues involving Rs 37.011 million were noticed in 04 cases.



- Other issues involving an amount of Rs 31.004 million were noticed in 02 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**

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. 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.

## **AUDIT PARAS**

### **15.1.1 Non-reconciliation of expenditure of District Education Authority – Rs 4,171.196 million**

According to Rule 16 (e) of Punjab District Authorities (Accounts) Rules, 2017, Accounts Officer is responsible to reconcile the monthly and annual appropriation accounts of District Authority with the bank, budget and accounts officer, collecting officer and the drawing and disbursing officer.

DAO Pakpattan paid Rs 4,171.196 million to District Education Authority Pakpattan as per appropriation account during 2019-20 but the expenditure was not reconciled with Budget & Accounts Officer and DDOs. The non-reconciliation with concerned offices resulted in violation of government rules.

- Non-reconciliation of expenditure with concerned offices resulted in violation of government rules.
- Weak internal controls in the part of DAO

Audit recommends reconciliation of expenditure.

It is submitted that proper reconciliation of expenditure was taken place with DDOs and verified as well as reconciled expenditure statements were provided to FAO and same are also available for verification. Every DDO get its expenditure reconciled with DAO. However, the reconciliation was also made by DD B&A and also noted for future compliance as well.

Record can be verified and Para may please be settled.

Para was discussed in detail and committee directed the DAO to provide head wise monthly reconciliation submitted by budget and accounts officer of DEA Pakpattan. Para kept pending till compliance.

**15.1.2 Difference in revised budget grants recorded in original & revised schedule of authorized expenditure and grand summery of Appropriation Accounts – Rs 36.040 million**

According to Section 2.1.6.3 of Chapter 2 of Financial Reporting Manual, the budget figures will be the aggregate budget at the disposal of the Division/Department (i.e. total of all grants available to DDO's within that District, or Division/Department in the case of SE's) and will be prorated to reflect the activity profile in the case of revenue expenditure. The figures will not be further analyzed to each separate grant (grant wise analysis will be possible through the "Grant -Expenditure Analysis" Statement in the Consolidated Accounts).

During financial attest audit of District Education Authority, Pakpattan for financial year 2019-20 differences of Rs 363.040 million in original and revised schedule of authorized expenditure and grad summery of appropriation accounts by grant was found. The detail is as under:

(Amount in Rupees)

Description	Original and revised schedule of authorized expenditure	Amount as per Appropriation Accounts	Difference
Final Grant / Appropriation	4,491,563,086	4,854,603,418	363,040,332

Difference in figure between original and revised schedule of authorized expenditure and grand summery of Appropriation Accounts may resulted in wrong presentation of accounts besides correction in all pages where figure reflect.

Audit recommends matter be investigated for preparation of correct Appropriation Accounts to avoid such lapses in future.

Appropriations accounts are being generated / prepared through SAP transaction YPAAPAC002. There is no difference between original and revised and supplementary schedule of authorized expenditure and appropriation account.

Para was discussed in detailed. Chair briefed the committee that SAP system does not accept the amounts of re-appropriations. SAP system shows re-appropriation figure separately due to which difference occur in schedule of

authorized expenditure and final grant of appropriation account. Chair further briefed that in last year clearing house meeting, matter was discussed and it was decided that necessary changes in SAP system be made to resolve the matter. Para kept pending till necessary correction/ action.

**15.1.3 Difference in revised budget grants recorded in appropriation account and SAP BER Sheet data final budget – Rs 10.656 million**

According to Section 2.1.6.3 of Chapter 2 of Financial Reporting Manual, the budget figures will be the aggregate budget at the disposal of the Division/Department (i.e. total of all grants available to DDO’s within that District, or Division/Department in the case of SE’s) and will be prorated to reflect the activity profile in the case of revenue expenditure. The figures will not be further analyzed to each separate grant (grant wise analysis will be possible through the "Grant -Expenditure Analysis" Statement in the Consolidated Accounts).

During financial attest audit of District Education Authority, Pakpattan for financial year 2019-20 it was observed that there was difference of revised budget mentioned in appropriation accounts and SAP BER sheet final budget. The detail is as under:

(Amount in Rupees)

Description	Amount as per Appropriation Account	Amount as per SAP BER Sheet	Difference
Original Budget Grand Total	4,207,162,000	4,216,427,451	<b>9,265,451</b>
Supplementary Grant	647,441,418	650,774,257	<b>3,332,839</b>
Revised Budget Grand Total	4,491,563,086	4,502,219,269	10,656,183

Difference in figure of grants recorded in appropriation account and SAP BER sheet may resulted in wrong presentation of accounts.

Audit recommends matter be investigated for preparation of correct Appropriation Accounts to avoid such lapses in future.

Appropriations accounts are being generated / prepared through SAP transaction YPAAPAC002. There is no difference between original and revised and supplementary schedule of authorized expenditure and appropriation account.

Committee directed the DAO to provide correct figure of BER Sheet which match with appropriation. Para kept pending till compliance.

#### **15.1.4 Discrepancies in Financial Statements / Finance Accounts / Appropriation Accounts**

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.

Scrutiny of Financial Statements / Finance Accounts / Appropriation Accounts of District Education Authority, Pakpattan revealed following discrepancies:

##### **Appropriation Accounts:**

- Page No. III, IV and V were not written on concerned pages.
- At page No VIII Auditor's Report was missing. The same be inserted at the time of finalization of appropriation account.
- Original and Revised Schedules of authorized expenditure was signed by the Deputy Commissioner Pakpattan instead of Administrator DEA Pakpattan.
- Original and revised schedule of authorized expenditure does not match with grand summery of Appropriation by grant.
- The budget was revised after 30<sup>th</sup> June 2020 as there was difference between revised budget and final revised budget which needs proof of final revision.

##### **Financial Statement:**

- In contents page Serial number II was missing. Further, Page No. I & III were not written on concerned pages.
- Page No.01 total of Statement of Cash Receipts and Payment does not tally.

- Page No.04 & 5 revised budget figure not tally with figure of Appropriation account.
- Page No. 06 paragraph No first line and where occurred word chairman be substituted with word Administrator or Chairman / Administrator.

**Finance Accounts:**

- In table of contents, first line, balance sheet as on 30 June 2018 was written instead of 2020.
- In Page No.05 Rs 4,005 was booked under head of account C02701- Building rent. Rs 2,000 was booked against C02610- Justice recovery of overpayments.  
Rs 9,738,682 was booked under head of account C02818 other Education receipts. Rs 4,890 was booked against C03229- animal husbandry recovery of payments. The booking of these amounts needs justification along with record or correction.
- At page word Health recoveries was written wrongly which may be corrected.
- Page No. 5 was repeated twice and page numbers were also missing.
- Amount of assets was written Rs 58,479,426 whereas, in FS page No. amount was written Rs 58,474,000. The same be corrected.
- Page 7 of 4 District Governments may be substituted with District Education Authority.
- At Page No.11, word DHAP was written wrongly. The same may be substituted with word DEAP.  
Incorrect reporting needs to be justified.

Audit recommends necessary correction in Financial Statements, Finance Accounts and appropriation account.

It is submitted that appropriation accounts are being generated / prepared through SAP transaction YPAAPAC002. This office has no authorization regarding making any change in SAP reports.

It is assured that the discrepancies in all Accounts will be corrected at the time of finalization of accounts, before getting error free certificates from Audit.

### **15.1.5 Difference in closing balance Rs 588,295**

According to Accountant General Punjab, Lahore letter No. SBD.Bp & DGP/CB/HM-59 dated 14.09.2020 closing balances of SBP Karachi and local branches of SBP/ NBP were circulated

DAO Pakpattan shown closing balance on 30<sup>th</sup> June 2020 Rs 123,528,050 whereas, State Bank- of Pakistan Head Office Karachi reported closing balances on 30<sup>th</sup> June, 2020, Rs 124,116,345 of Account-V of District Education Authority Pakpattan. Thus there was difference of Rs 588,295 between DAO figure and SBP Karachi figure. The detail is given below:

(Amount in Rupees)

<b>Closing balance as per FS on 30.06.2020</b>	<b>Closing balances as per SBP Head office Karachi</b>	<b>Difference</b>
123,528,050	124,116,345	588,295

- Difference of figures creates doubts about the authenticity of financial statements.
- Weak internal controls in the part of DAO  
Necessary corrections should be made in the books of Accounts.

There is no difference between figures of FS & SBP Head office Karachi.

The reply of DAO is not acceptable as difference was communicated by Accountant General Punjab office. Committee directed the DAO to provide justification of difference. Para kept pending till compliance.

## **CHAPTER 15.2**

### **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 Educational 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:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	220	05	275.840	5.29
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

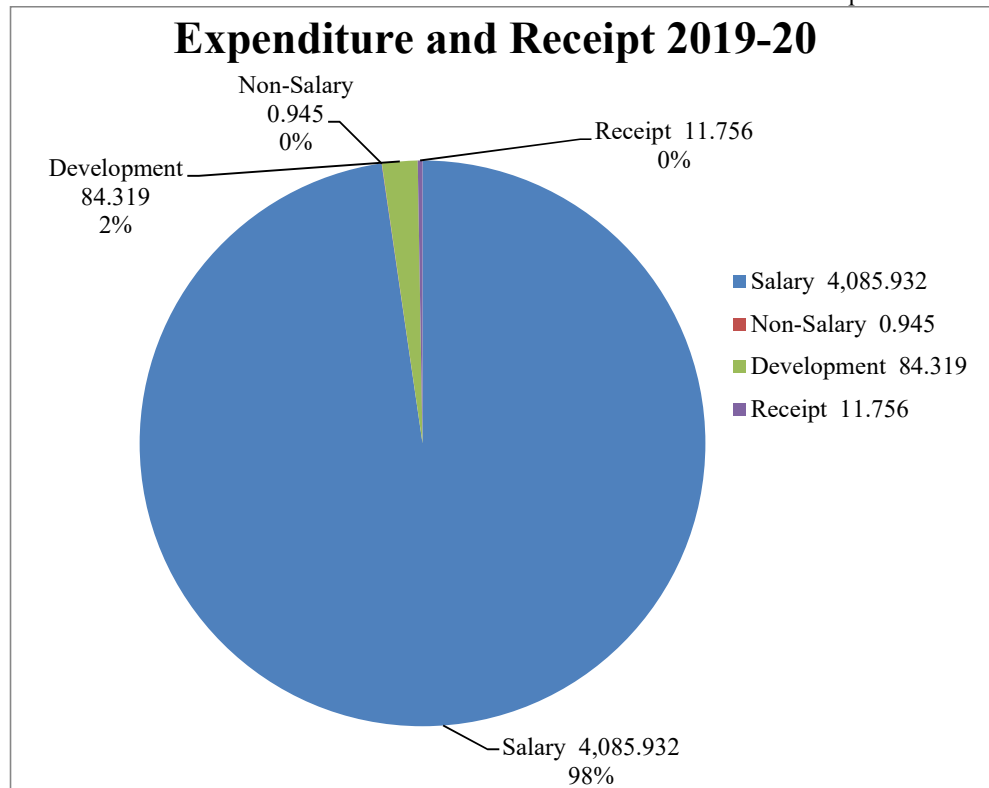
### 15.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form:

(Rupees in million)

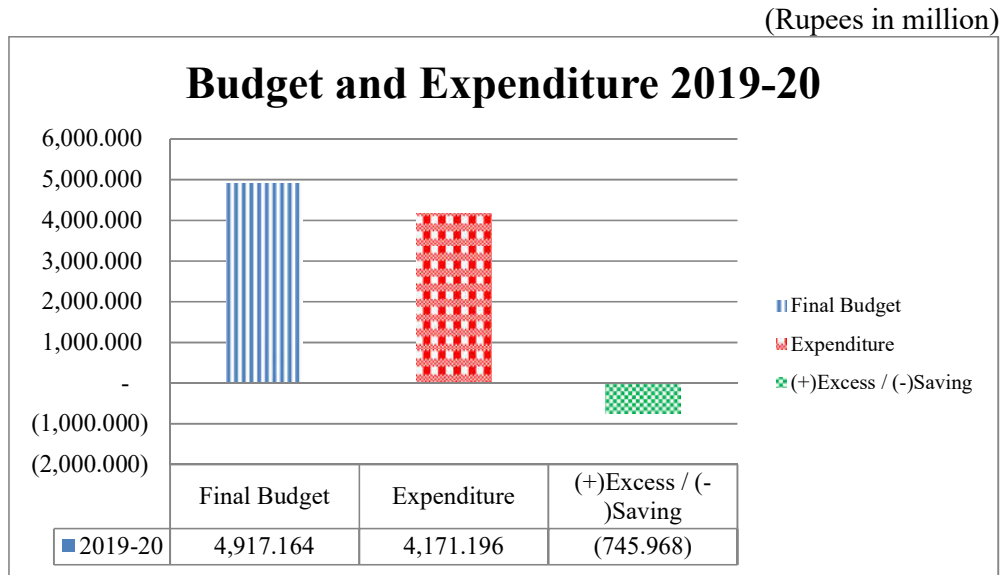
2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	4,595.417	4,085.932	(509.485)	-11%
Non-salary	62.561	0.945	(61.616)	-98%
Development	259.186	84.319	(174.867)	-67%
<b>Sub Total</b>	<b>4,917.164</b>	<b>4,171.196</b>	<b>(745.968)</b>	<b>-15%</b>
Receipts	13.567	11.756	(1.811)	-13%

(Rupees in million)



As per the Appropriation Accounts for financial year 2019-20 of District Education Authority Pakpattan, total original budget (Development and Non-Development) was Rs 4917.164 million. Against the final budget, total expenditure of Rs 4171.196 million was incurred by District Education Authority during financial year 2019-20. A saving of Rs 744.968 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**).

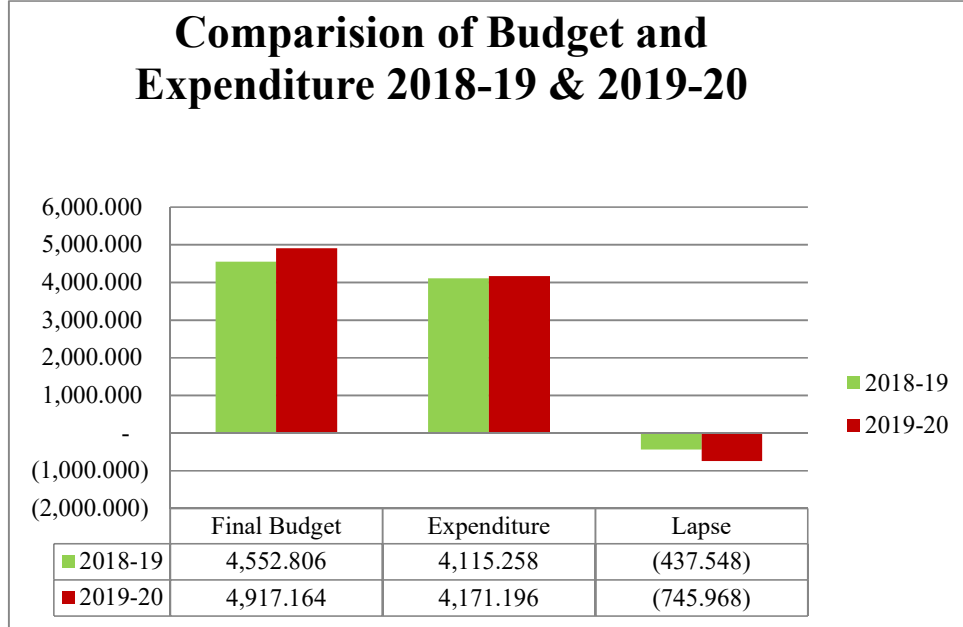
The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.



In Education Department saving of Rs 745.968 million (15% 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 2019-20. 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 8% and 1% increase in budget allocation and expenditure incurred respectively in financial year 2019-20 as compared to financial year 2018-19, while there was overall savings of Rs 745.968 million during 2019-20.

### 15.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 124.502 million were raised as a result of this audit. This amount also includes recoverable of Rs 56.756 million as pointed out by the audit. Summary of the audit observations classified by nature is given on next page:

(Rupees in million)

<b>Sr. No.</b>	<b>Classification</b>	<b>Amount (Rs in million)</b>
1	Non-production of record	18.930
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Procedural Irregularities	-
A	HR / employees related irregularities	29.835
B	Procurement related irregularities	7.722
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	37.011
5	Others	31.004
	<b>Total</b>	<b>124.502</b>

#### **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**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	17	PAC meeting was not convened
2	2018-19	30	PAC meeting was not convened
3	2019-20	25	PAC meeting was not convened

## AUDIT PARAS

### 15.3 Non-Production of Record

#### 15.3.1 Non-production of vouched accounts – Rs 18.930 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”. Furthermore, according to Section 108 (2) of the Punjab Local Government Act 2013, “The Auditor-General shall audit the accounts of a local government in such form and manner as may be deemed appropriate”.

Following DDOs of the DEA, Pakapattan did not produce vouched accounts of expenditure of Rs 18.930 million during 2018-20:

(Rupees in million)

Sr. No.	Name of DDO	Amount
1	CEO Education	1.338
2	Dy. DEO (EE-W) Arifwala	3.812
3	Dy. DEO (EE-W) Arifwala	13.780
<b>Total</b>		<b>18.930</b>

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

Non-production of record created doubt regarding legitimacy of expenditure incurred amounting Rs 18.930 million.

The matter was reported to the CEO of District Education Authority and concerned DDOs in August, 2020. 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 of the matter besides fixing responsibility on the person(s) at fault.

[AIR Para No: 15,13 &16]

## 15.4 Procedural Irregularities

### 15.4.1 Irregular withdrawal of pay and allowances – Rs 29.835 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.

Deputy DEO (EE-W) Arifwala of DEA Pakpattan, allowed pay and allowances of Rs 29.835 million in excess than sanctioned posts during 2019-20. Comparison of sanctioned posts with HR/SAP data revealed that pay and allowances of the following posts were drawn in excess than availability of posts. Detail is as under:

(Rupees in million)

Cost Center	Post	Scale	No. of Posts	Pay Drawn	Excess	Salary
PY-6013	Class IV	1	1	8	8	1.562
PY-6013	Naib Qasid	1	5			
PY-6017	SST	16	16	64	12	28.273
PY-6017	SSE	16	36			
<b>Total</b>						<b>29.835</b>

Due to financial mis-management, excess pay and allowances were drawn than sanctioned posts.

Payment of pay & allowances excess than sanctioned posts resulted in irregular payment of Rs 29.835 million.

The matter was reported to the CEO of District Education Authority and concerned DDO in August, 2020. 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 besides fixing responsibility on the person(s) at fault.

[AIR Para No: 02]

#### **15.4.2 Non-transparent tendering process for purchase of furniture - Rs 5.413 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 Officer, DEA Pakpattan made irregular payment of Rs 5.413 million for purchase of furniture because tendering process was not transparent. In technical evaluation, MS Zain enterprises Faisalabad was qualified whereas in the financial bids & on the comparative statement, there was no name of MS Zain Enterprises. No reason was mentioned for exclusion of MS Zain enterprises from list of successful bidders. Afterwards purchase of furniture of Rs 5.413 million was made from different suppliers. **Annexure-C/PPN**

Due to financial mismanagement, irregular and non-transparent purchases were made.

Non-inclusion of successful firm in the financial bid resulted in irregular and non-transparent purchase of Rs 5.413 million

The matter was reported to the CEO in August, 2020. 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 disciplinary action against concerned besides regularization of expenditure from the competent authority.

[AIR Para No: 04]

#### **15.4.3 Irregular expenditure thorough splitting-Rs 2.309 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. Further, according to Rule 4.5 of Guidelines for Health Council 2017, the Health Council will observe the financial rules of Government while incurring expenditure including Punjab Procurement Rules, 2014.

Following DDOs under the administrative control of Chief Executive Officer, DEA Pakpattan incurred expenditure of Rs 2.309 million during 2019-20 on procurement of stationary and furniture through quotations. The expenditure was incurred by splitting and keeping the expenditure below Rs 50,000 or Rs 100,000 to avoid the quotation / tendering process. The detail is as under:

(Rupees in million)

Sr. No.	Name of DDO	Expenditure	Amount
1	CEO Education	Stationary	1.152
2	Headmaster GHSS Malka Hans	Furniture	1.157
<b>Total</b>			<b>2.309</b>

Due to financial missmanagement, expnediutre was incurred thorough splitting to avoid advertisement.

Incurrence of expenditure by splitting resutled in irregular expendiure of Rs 2.309 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. 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 expenses besides fixing responsibility on the person(s) at fault.

[AIR Para No: 13 & 02]

## 15.5 Value for Money and Service Delivery Issues

### 15.5.1 Unauthorized payment of social security benefit – Rs 25.752 million

According to Para No. 1 and 5 of the Government of the Punjab Service & General Administration Department (Regulations Wing) dated 1st March-2013, the approval was granted to 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. 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 CEO Pakpattan made payment of Rs 25.752 million on account of 30% social security benefit during 2018-20. Scrutiny of record revealed that payment of SSB was made without admissibility after the date of regularization after completing 3 years of service after appointment. The detail is as under:

(Rupees in million)		
Sr. No.	Name of DDO	Amount
1	Dy. DEO (EE-W) Pakpattan	15.562
2	Dy. DEO (EE-W) Arifwala	10.19
<b>Total</b>		<b>25.752</b>

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 25.752 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. 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 overpaid amount on account of SSB besides fixing responsibility on the person(s) at fault.

[AIR Para No: 05 & 18]

### 15.5.2 Irregular payment and fake physical verification- Rs 7.720 million

According to supply order No.1378 dated 18.03.2020, Acer computer of processor Intel core i5 9400, up to 4.1 GHS, UPS with two batteries minimum of 200 AH, along with battery bank rack. Further, 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 Officer, DEA Pakpattan made procurement of seventy-two computers i5 & UPSs of Rs 7.720 million during 2019-20. Scrutiny of record that computers were supplied below specifications as prescribed in the tendering document. Further, racks for UPSs were not supplied by the firm. However, the payment was made on fake physical verification reports. The detail is as under:

(Rupees in million)

Cheque No.	Dated	Name of Items	Quantity	item Rate	Amount
132433	13.06.2020	Computers	32	0.103	3.286
-	-	UPS	2	0.217	0.434
132432	13.06.2020	computers	40	0.100	4.000
<b>Total</b>					<b>7.720</b>

Due to weak internal controls, supply of below specifications material was made on fake physical verifications.

Supply of below specifications material on fake physical verifications resulted in irregular payment of Rs 7.720 million.

The matter was reported to the CEO in August, 2020. 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 fixing of responsibility on the person(s) at fault besides replacement of below specification items.

[AIR Para No. 11]

### **15.5.3 Less payment of pension contribution – Rs 2.144 million**

According to FD letter No. FD (DG)1-Instructions-Act-13/2016 dated 31.10.2017 vide para 6 the concerned District Authority shall deposit the pension contribution @ 40% of the pay of such serving employees' w.e.f. 01.01.2017 onwards, to the "District Education Authority Pension Fund" or "District Health Authority Pension Fund" as the case may be, in prescribed manner.

Deputy DEO (EE-W) Pakpattan did not pay pension contribution of Rs 2.144 million during 2019-20. Scrutiny of record revealed that an amount of Rs 3.484 was required to be deposited as pension contribution but only Rs 1.340 million was paid in pension fund instead of actual liability. Resultantly an amount of Rs 2.144 million was less transferred in pension fund.

Due to weak financial management, amount of pension contribution was paid less.

Less payment of pension contribution resulted in non-compliance of Government instruction and deficiently in liability fund of Rs 2.144 million.

The matter was reported to the CEO and DDO concerned in August, 2020. 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 payment of short amount be made and responsibility be fixed on person (s) at fault.

[AIR Para No: 09]

### **15.5.4 Irregular payment for supply of substandard material - Rs 1.395 million**

According to supply order No.18 dated 18.03.2020, Teacher training, Comprehensive onsite training for subject area teachers (including Science, Math, English, IT etc.) the supplier must provide written undertaking on their letterhead that the teacher who have been trained can effectively use the system and build interactive multimedia components, Accessories to be provided Built in speaker, power cable, HDMI cable, VGA Cable, Remote Control, Carrying Bag & Ceiling

Mount Bracket, Projector of Foreign Brand like Sony, Panasonic, Sharp etc. be provided.

Chief Executive Officer, DEA Pakpattan purchased nine Infrared White board with multimedia of Rs 1.395 million during 2019-20. Scrutiny of record revealed that material was supplied below specifications. As per specifications of PITB and tender document, multimedia of Sony, Panasonic or Sharp to be supplied. However, VIVITEK BS-564 brand made in China was supplied. Further, the supplier did not provide training to the teachers in violation of terms. The detail is as under:

(Rupees in million)

Token No.	Date of Token	Item Name	Name of Co.	Invoice Date	Qty.	Rate Per Unit	Amount
5284	22.06.2020	Intech Infrared Interactive whiteboard SR-8083D	Nasco Traders Islamabad	13.05.2020	9	0.155	1.395

Due to negligence and weak internal controls, material was provided below specifications.

Supply of below specification material and non-compliance of the terms of contract resulted in irregular purchase of Rs 1.395 million.

The matter was reported to the CEO in August, 2020. 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 replacement of substandard material besides fixing responsibility on the person(s) at fault.

[AIR Para No.: 10]

## 15.6 Others

### 15.6.1 Irregular payment of conveyance allowance- Rs 29.111 million

According to clarification issued by Government of the Punjab, Finance Department, Lahore letter No. FD.PR.21-35/2013 dated 14.12.2016 conveyance allowance is not admissible to staff of vacation departments. Further, according to Accountant General Punjab Lahore letter No.HR/AB/CD-1033 dated 11.06.2019 that conveyance allowance is required to be deducted during summer vacations of education department employees who are availing summer vacations. Further, according to Government of the Punjab, School Education Department, Lahore notification No.SO(A-D)I-31/2008 dated 13.3.2020 that all school remain closed and closure will be treated as summer vacations. Moreover, according to SED letter No. DOM/Dengue/2019 dated 11<sup>th</sup> June, 2020 competent authority has directed to open the schools on Mondays and Tuesdays and monitoring staff will visit public schools also indicates that schools were remain closed before 11.06.2020 and opened after this date only for Mondays and Tuesdays which becomes only 6 days after 11.06.2020.

Various DDOs under the jurisdiction of CEO, DEA Pakpattan made payment of Rs 29.111 million to teaching and non-teaching staff on account of conveyance allowance during vacations of Covid-19. Scrutiny of record revealed that schools were closed w.e.f 13.03.2020. However, conveyance allowance was paid during vacations. The detail is as under:

(Rupees in million)

Sr. No	Name of DDOs	Financial Year	Amount
1	Dy. DEO (EE-W) Pakpattan	2019-20	28.046
2	Dy. DEO (EE-W) Arifwala	2019-20	1.065
<b>Total</b>			<b>29.111</b>

Due to weak internal controls, conveyance allowance was paid during vacations.

Irregular payment of conveyance allowance during vacations resulted in excess payment and loss to the Government exchequer amounting to Rs 29.111 million.

The matter was reported to the CEO and DDOs concerned in August, 2020. 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 29.111 million besides fixing responsibility on the person(s) at fault.

[AIR Para No. 03&08]

#### **15.6.2 Non-imposition of liquidated damages on late supply – Rs 1.893 million**

According to supply order condition No. 7, If contractor fail to supply the items within the time period given in the purchase order the same may be procured from the local market at your risk and cost without any further notice. The difference will be recovered from your call deposit or pending claims / bills and in case of late supply liquidated damages will be deducted from the bill @ 0.067% per day or 2% per month.

Chief Executive Officer, DEA Pakpattan did not impose liquidated damages of Rs 1.893 million due to late supply of different items during 2019-20. Scrutiny of record revealed that firms did not supplied different items as per time allowed in the tender documents. However, an amount of Rs 1.893 million on account of liquated damages was not recovered from the suppliers. **Annexure-D/PPN**

Due to weak internal controls, payment was made without deduction of liquidated damages.

Non-recovery of liquidated damages due to late supply resulted in overpayment and loss to the Government exchequer amounting Rs 1.893 million

The matter was reported to the CEO in August, 2020. 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 liquidated damages besides fixing of responsibility on the person(s) at fault.

[AIR Para No: 09]

## 16. District Education Authority (DEA) Sahiwal

### CHAPTER 16.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Sahiwal on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	8,288.531	7,644.708	(643.823)	-7.77%
Non-Salary	115.307	115.189	(0.118)	-0.10%
Development	357.787	93.181	(264.605)	-73.96%
<b>Sub Total</b>	<b>8,761.625</b>	<b>7,853.078</b>	<b>(908.547)</b>	<b>-10.37%</b>
Receipts	50.214	44.564	(5.650)	-11.25%

(Source: Appropriation Accounts 2019-20)

Development includes an expenditure of Rs 93.181 million against an allocation of Rs 357.787 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 264.605 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 908.547 million was lapsed due to inefficient management.



## **Analysis of Appropriation Accounts and Financial Statements (Financial Attest Audit 2020-21)**

The following issues surfaced during Financial Attest Audit of District Education Authority Sahiwal for the Audit Year 2020-21.

- Difference in revised budget grants recorded in original & revised schedule of authorized expenditure and grand summery of Appropriation Accounts – Rs 642.026 million
- Defective preparation of books of accounts containing difference in figures of Public Account Receipts – Rs 63.684 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 Sahiwal was made on the basis of various quality indicators of Education department for the financial year 2019-20. 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. Detail of targets and achievements is given on next page:

## Status regarding Indicators and their achievements for the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Quality indicators LND Test Results	LND	82	85	Achieved
Core Indicator	Students attendance (Kachi-12)	92	95	Achieved
	Teacher Presence	91	95	Achieved
	Head Teacher Presence	45	46	Achieved
	Availability of boundary wall	49	47	Not Achieved
	Availability of drinking Water	49	49	Achieved
	Availability of Furniture	35	33	Not Achieved
	Classrooms observations	40	38	Not Achieved
Infrastructure Indicators	Safe Building	99	100	Achieved
	NSB Time Lines	50	3.5	Not Achieved
	NSB Utilization	50	48	Not Achieved
	Sufficiency of Toilets	70	80	Achieved
Retention Indicators	Retention (Kachi-12)	54	45	Not Achieved
Monitoring and management Indicators	School Hygiene	82	86	Achieved
Hot Line Complaints resolution Indicators	On Time resolution	92	92	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 2020-21.

- Non-Production of Record worth Rs 3.449 million was reported in one case.
- Procedural Irregularities amounting to Rs 27.243 million were noticed in five cases.

- Value for Money and Service Delivery Issues involving Rs 40.047 million were noticed in one case.
- Other issues involving an amount of Rs 1.217 million were noticed in one case.

#### **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 47%.
- Availability of furniture was targeted at 36%, while it could be achieved only 33%, student could not avail classroom furniture despite provision of huge non-salary budget.
- NSB utilization was targeted at 50% but achieved only 48%. Delay in utilization of funds caused major hindrance in achievement of targets.
- Classrooms observations target was fixed 40% but achieved only 38%.
- NSB times lines target was fixed 50% but achieved only 3.5%.
- Retention of student target was fixed 54% but achieved only 45%.

#### **v. Expectation Analysis and Remedial Measures**

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. 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.

## AUDIT PARAS

### 16.1.1 Difference in revised budget grants in original & revised schedule of authorized expenditure and grand summary of Appropriation Accounts – Rs 642.026 million

According to Section 2.1.6.3 of Chapter 2 of Financial Reporting Manual, the budget figures will be the aggregate budget at the disposal of the Division/Department (i.e. total of all grants available to DDO's within that District, or Division/Department in the case of SE's) and will be prorated to reflect the activity profile in the case of revenue expenditure. The figures will not be further analyzed to each separate grant (grant wise analysis will be possible through the "Grant -Expenditure Analysis" Statement in the Consolidated Accounts).

During financial attest audit of District Education Authority, Sahiwal for financial year 2019-20 difference amounting Rs 642.026 million was discovered when the figure of Final Grant of Non-Development as reported in Original and Revised Schedule of Authorized Expenditure was compared with the same as reported in Grand Summary of Appropriation Accounts. The detail is as under:

(Rupees in million)

Description	Original and Revised Schedule of Authorized Expenditure at Page No. IV	Amount as per Grand Summary of Appropriation Accounts at Page No. VII	Difference
Final grant / appropriation for Non-Development	7,761.812	8,403.838	642.026
Development Final grant / appropriation	357.787	357.787	0
<b>Total</b>	<b>8,119.599</b>	<b>8,761.625</b>	<b>642.026</b>

Audit recommends matter be investigated for preparation of correct Appropriation Accounts to avoid such lapses in future.

There is no difference in budget recorded in appropriation accounts of District Education Authority Sahiwal.

It is further stated that original & revised schedule of authorized expenditure consists of excess & surrender budgeted amounts as approved by

the competent authority mentioned at Page IV of appropriation account of DEAP. Whereas the amount showed in Grand summary of page VIII of appropriation account, the surrender amount was not subtracted as per format prevails in the Punjab by A.G Punjab Lahore. The surrender amount Rs 642.026 million mentioned at page 12 of appropriation account for verification please.

Para was discussed in detailed. Chair briefed the committee that SAP system does not accept the amounts of re-appropriations. SAP system shows re-appropriation figure separately due to which difference occur in schedule of authorized expenditure and final grant of appropriation account. Chair further briefed that in last year clearing house meeting, matter was discussed and it was decided that necessary changes in SAP system be made to resolve the matter. Para kept pending till necessary correction/ action.

### **16.1.2 Defective preparation of books of accounts containing difference in figures of Public Account Receipts – Rs 63.684 million**

According to clause 14.5.1.1 of APPM cash transactions relating to the Public Account shall be reconciled as part of the routine monthly bank reconciliation process, in accordance with Chapter 6 of this Manual, ‘Bank Reconciliation’.

District Accounts Officer Sahiwal did not reconcile the figures of Trust & other Public Account Receipts between the Financial Statements and SAP data of Public Accounts for the financial year 2019-20 pertaining to District Education Authority Account-V of District Sahiwal. The comparison of same head in SAP data with the Financial Statement revealed a difference of Rs 63.684 million, as summarized as under:

(Rupees in million)

District	Head of Account	DEA Account -V		
		Amount as per SAP	Amount as per Financial Statement	Difference
Sahiwal	Trust & other Public Account-Receipts	15,022.398	15,086.082	-63.684

Audit recommends reconciliation of difference in figures of public accounts receipts of District Education Authority besides fixing of responsibility on the person(s) at fault.

The matter has been taken up with Accountant General Punjab, and the reply will be submitted to Audit as received.

Para was discussed in detailed. Chair directed to Mr. Khalid AAO accompany to Chair to provide figure to accurate figure to DAOs and DAO shall verify the record from audit. No record was got verified in this regard. Para kept pending till compliance.

## **CHAPTER 16.2**

### **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:

<b>Description</b>	<b>No. of Educational Institutes</b>
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 table given on next page shows the detail of total & audited formations of DEA Sahiwal:

(Rupees in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure audited FY 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	239	05	692.890	-
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

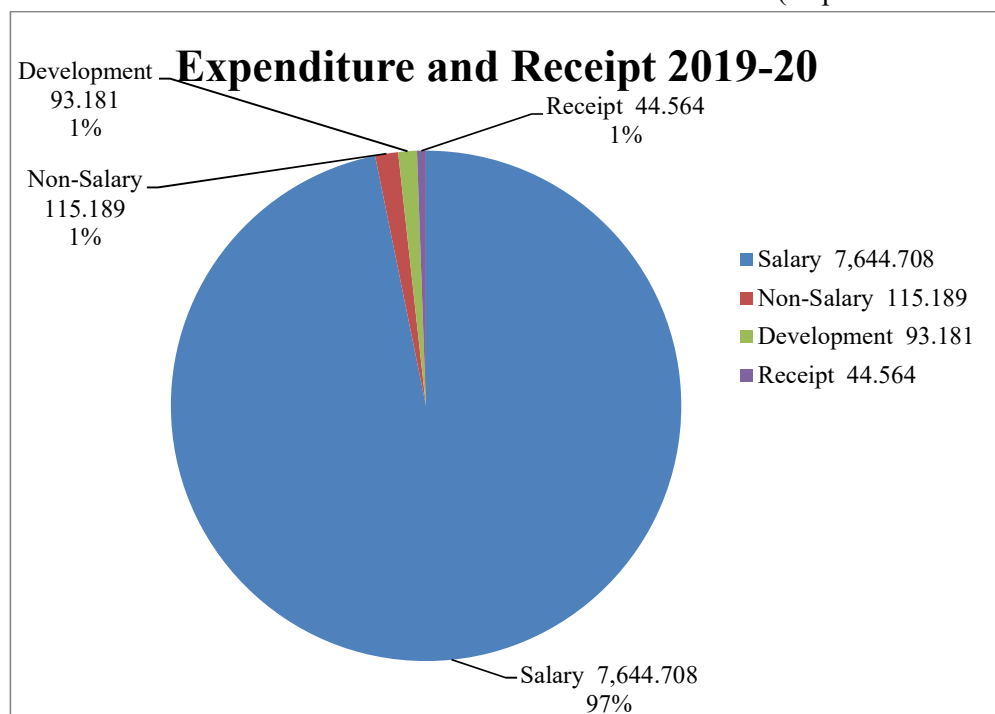
### 16.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form.

(Rupees in million)

2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	8,288.531	7,644.708	(643.823)	-7.77%
Non-salary	115.307	115.189	(0.118)	-0.10%
Development	357.787	93.181	(264.605)	-73.96%
<b>Sub Total</b>	<b>8,761.625</b>	<b>7,853.078</b>	<b>(908.547)</b>	<b>-10.37%</b>
Receipts	50.214	44.564	(5.650)	-11.25%

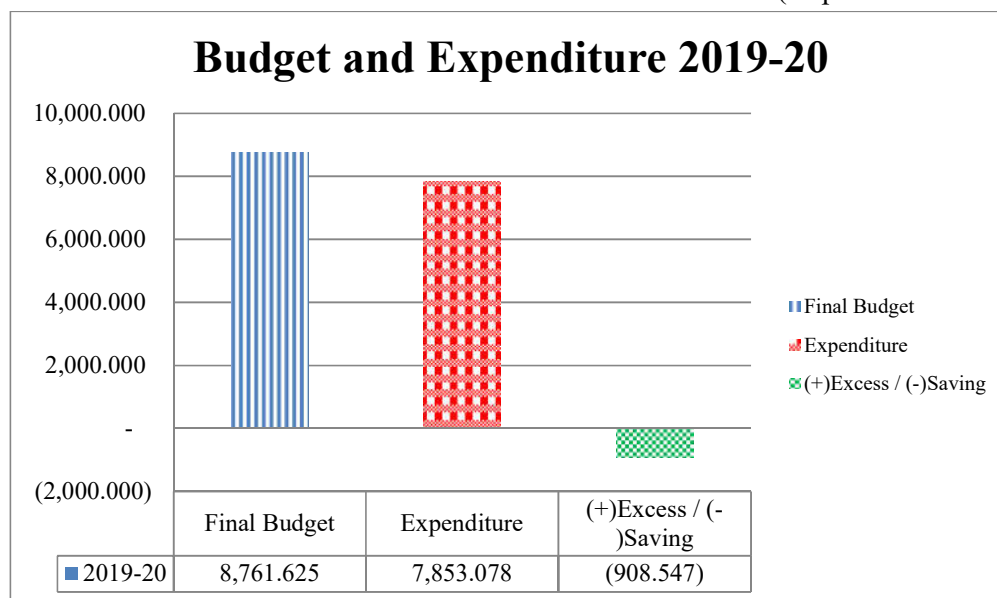
(Rupees in million)



As per the Appropriation Accounts 2019-20 of the District Education Authority Sahiwal, total original budget (Development and Non-Development) was Rs 8,659.151 million, supplementary grant was Rs 102,473 million provided and the final budget was Rs 8,761.625 million. Against the final budget, total expenditure of Rs 7,853.077 million was incurred by the District Education Authority during the financial year 2019-20. A lapse of Rs 908.547 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)**

The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

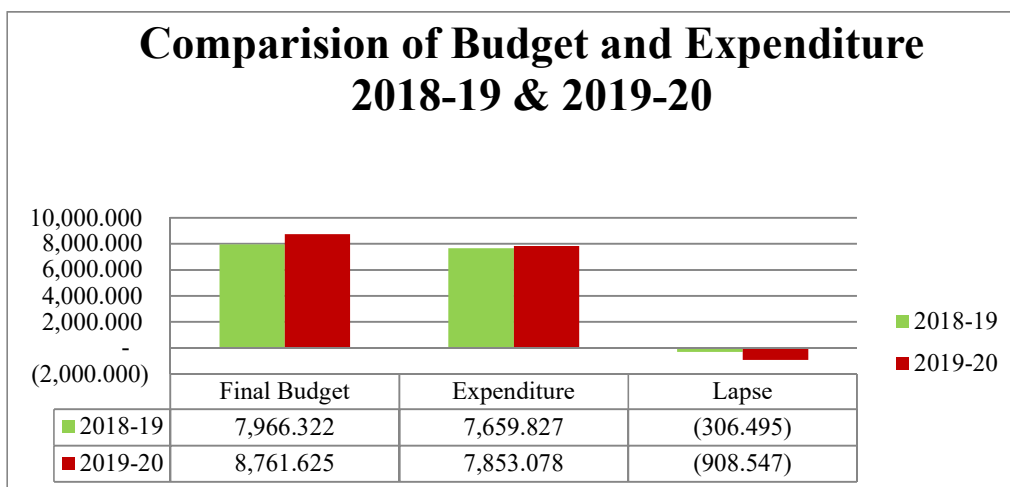
(Rupees in million)



In Education Department savings of Rs 908.547 million (10.37% 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 2019-20. 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 in the chart given on the following page.

## Comparison of Budget and Expenditure 2018-19 & 2019-20



There was 10% and 3% increase in budget allocation and expenditure incurred respectively in financial year 2019-20 as compared to financial year 2018-19, while there was overall savings of Rs 908.547 million during 2019-20.

### 16.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 71.956 million were raised as a result of this audit. This amount also includes recoverables of Rs 57.016 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	3.449
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Procedural Irregularities	-
A	HR / employees related irregularities	6.899
B	Procurement related irregularities	20.344
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	40.047
5	Others	1.217
	<b>Total</b>	<b>71.956</b>

#### **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**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	17	PAC not constituted
2	2018-19	34	PAC not constituted
3	2019-20	19	PAC not constituted

## AUDIT PARAS

### 16.3 Non-Production of Record

#### 16.3.1 Non-production of record – Rs 3.449 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 of District Education Authority Sahiwal did not produce following auditable record amounting Rs 3.449 million for the financial year 2019-20. 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	26	CEO (DEA) Sahiwal	Expenditure for Infrastructure for Early Child Education (IECE) rooms	2.700
2	27		TA and other head of accounts	0.749
3	18	Principal GHSS 45/12L Chichawatni	pay and allowances and contingent expenditure incurred prior to July, 2009	-
4	17	Deputy DEO (EE-M) Sahiwal	i. Record of expenditure incurred out of NSB grants received by the schools. ii. Various schools did not produce service books in order to ascertain the correct drawl of their pay and allowance. iii. Signed log book of vehicle not produced to audit in order to check the validity of expenditure of POL, Repair of vehicle and T.A bills	-
<b>Total</b>				<b>3.449</b>

Due to weak internal controls, record was not produced for audit verification.

Non-production of record created doubts regarding legitimacy of expenditure incurred amounting Rs 3.449 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. 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. 26, 27, 18 & 17]



## 16.4 Procedural Irregularities

### 16.4.1 Irregular expenditure through splitting – Rs 9.473 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 Rs 9.473 million during 2019-20 without procurement planning. All the items were purchased from local market by splitting the demands and keeping the cost of procurement below the financial limit of Rs 100,000 to avoid tender inquiry. The purchases were uneconomical in absence of purchase through tender. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Amount
1	Government Crescent Girls High School, Chichawatni	3.067
2	Deputy DEO (EE-M) Sahiwal	3.066
3	Principal GGHSS 45/12L Chichawatni	3.340
	<b>Total</b>	<b>9.473</b>

Due to weak financial controls, purchases were made through splitting of indents

Non-observance of Punjab Procurement Rules resulted in irregular purchases amounting Rs 9.473 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

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

[AIR Para No. 10, 09 & 10]

#### 16.4.2 Irregular withdrawal of inadmissible allowances – Rs 6.899 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 6.899 million during 2019-20 on account of different inadmissible allowances to different employees. Necessary detail is given below:

(Rupees in million)				
Sr. No.	Para No.	DDOs	Particular	Amount
1	5	Chief Executive Officer (DEA) Sahiwal	Payment of special conveyance allowance to teaching staff during Covid-19	0.616
2	17		Non-recovery of mobility allowance during Covid-19	0.48
3	18		Irregular payment of charge allowance to heads of special education schools without entitlement	0.058
4	19		Payment of Conveyance allowance during leaves	0.06
5	14	Principal GGHS 45/12L Chichawatni	Non-recovery of conveyance allowance from teacher during earned leaves	0.340
6	15		Irregular withdrawal of conveyance allowance during summer/winter vacations	0.074
7	2	Dy. District Education Officer (EE-W) Sahiwal	Excess payment of personal allowance	1.693
8	4		Irregular payment of charge allowance	0.095
9	1	Dy. DEO (EE-M) Sahiwal	Excess payment of personal allowance	1.023
10	3		Unjustified payment on account of qualification allowance	0.3
11	5		Irregular payment of charge allowance	0.245
12	6		Unauthorized payment of conveyance allowance to teachers during leave periods	0.915
13	7		Non-deduction of pay and allowance from teachers who availed leave without pay	0.207
14	16		Loss to Government due to irregular award of increments and non-adjustment of pay and allowances- Recovery thereof	0.793
<b>Total</b>				<b>6.899</b>

Due to weak financial controls, allowances were paid without entitlement.

Payment of allowances without entitlement resulted in loss amounting Rs 6.899 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in September, 2020. 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 6.899 million besides fixing responsibility on the person(s) at fault.

[AIR Para No. 05, 17, 18, 19, 14, 15, 02, 04, 01, 03, 085, 06, 07 & 16]

### 16.4.3 Purchase of computers on higher rates - Rs 4.850 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.

CEO (Education) Sahiwal purchased computers, printers and UPS for IT Labs from M/s. Hi-Tech Automation Services Multan at higher rates than the market. The same items of IT Labs of same companies having very less rates on the website. Excess amount was paid to the supplier amounting Rs 4.850 million, which needs recovery from the concerned. The detail is as under:

(Rupees in million)

Name of Scheme	Particulars	Qty.	Rate paid	Market rate	Diff.	Excess Payment
Purchases for IT Labs for High and Higher Secondary Schools	Desktop Computers Dell Vostro 3670	128	106,250	(74500 + 10499) = 84,999	21,251	2.720
	Laser Jet Printer HP 404DW	8	55,000	44,999	10,001	0.080
	UPS 5KVA	8	198,000	75,000	123,000	0.984
Purchases for IT Labs Elementary Schools	Desktop Computers Dell	25	106,250	(74500+10499) = 84,999	21,251	0.531
	Laser Jet Printer HP 404DW	5	55,000	44,999	10,001	0.050
	UPS 3KVA	5	155,000	58,000	97,000	0.485
	<b>Total</b>					<b>4.850</b>

Due to poor financial management, expensive purchase of was made.

Purchase of equipment at excessive rates resulted into loss to government amounting to Rs 4.850 million.

The matter was reported to the PAO and DDO concerned in September,

2020. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

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

[AIR Para No.09]

#### **16.4.4 Irregular procurement through managed invoices – Rs 4.003 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 Government through fraud or negligence on his part

Principal Government Girls Higher Secondary School 45/12L, Chichawatni withdrew Rs 4.003 million from NSB on account of purchases / hiring of services during 2015-20. As and when NSB grant received. Fake bills were prepared as evidence from serial numbers of bills and payment was made through one cheque of whole grant received. Payment was made to firms without deduction of sales tax, income tax and PST. Stock entries were made at different pages. No proper consumption record of stationery items and bulbs was shown to audit.

Due to weak financial controls, payment was made through managed invoices instead of actual working.

Violation of rules resulted in irregular expenditure amounting to Rs 4.003 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of expenditure and production of deposit proof of taxes.

[AIR Para No.05]

#### **16.4.5 Mis-procurement of furniture – Rs 2.018 million**

According to NSB Guidelines for incurring the expenditure by high and higher secondary schools' para No. 5 purchase of goods "All schools will follow the Punjab procurement rules 2014 while purchasing. Further, 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. 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

Head teachers of various schools under the administrative control of Deputy District Education Officer (EE-W) Sahiwal incurred expenditure amounting to Rs 2.018 million during 2019-20 on account of purchase of various items on different dates. However, the expenditure was incurred by splitting and keeping the cost of each procurement below the financial limit of Rs 100,000 to avoid tendering and Rs 50,000 to avoid quotations.

The above irregularity occurred due to weak financial management.

Weak financial management resulted in mis-procurement of Rs 2.018 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in September, 2020. DAC meeting was not convened despite efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends inquiring into the matter and fixing of responsibility on the person(s) at fault besides regularization of expenditure.

[AIR Para No.11]

## 16.5 Value for Money and Service Delivery Issues

### 16.5.1 Unjustified payment of Social Security Benefits – Rs 40.047 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 40.047 million from the teachers whose services were regularized. The detail is given below:

(Rupees in million)

Sr. No.	Para No.	DDOs	Particulars	Amount
1	6	Chief Executive Officer (DEA) Sahiwal	Withdrawal of social security benefits after regularization	27.426
2	16	Principal GHSS 45/12L Chichawatni	Withdrawal of social security benefits despite regularization of employees	0.257
3	1	Dy. District Education Officer (EE-W) Sahiwal	Withdrawal of social security benefits after regularization	0.172
4	3		Payment of SSB to non-regularization of contract employees	6.61
5	2	Dy. DEO (EE-M) Sahiwal	Unjustified Payment of Social Security Benefits	1.022
6	4		Payment of SSB to non-regularization of contract employees	4.127
7	2	Government Crescent Girls High School, Chichawatni	Withdrawal of social security benefits after regularization of services	0.367
8	13		Non-compliance of the Government instructions and withdrawal of social security benefits	0.066
<b>Total</b>				<b>40.047</b>

Due to weak internal controls, 30% SSB allowance was paid to employees after regularization.

Unjustified payment of SSB allowances resulted in loss of Rs 40.047 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in September, 2020. 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.06, 16, 01, 03,02,04,02 & 13]

## 16.6 Others

### 16.6.1 Non-imposition / payment of Punjab Sales Tax and income tax on services – Rs 1.217 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 and income tax Rs 1.217 million in Government treasury from various labor suppliers. The details are as under:

(Rupees in million)

Sr. No.	Name of Formation	Subject of Para	Amount
1	Chief Executive Officer (DEA) Sahiwal	Non-production of deposit proof of GST by Suppliers	0.429
		Non-verification of deposit proof of GST	0.05
2	Principal GGHSS 45/12L Chichawatni	Irregular payment of Punjab Sales Tax and Income Tax on Services	0.047
		Loss to government due to non-payment of GST	0.016
3	Dy. District Education Officer (EE-W) Sahiwal	Loss to Government due to overpayment of GST of exempted items	0.077
		Non-imposition / payment of Punjab Sales Tax on services	0.114
		Non-Collection of Proof of Deposit of Sales Tax and Income Tax	0.071
4	Government Crescent Girls High School, Chichawatni	Non-imposition / payment of Punjab Sales Tax and Income Tax on services	0.109
		Doubtful payment / non- deposit of GST	0.283
5	Dy. District Education Officer (EE-M) Sahiwal	Non-deduction of income tax on services from suppliers by the heads	0.021
<b>Total</b>			<b>1.217</b>



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 Rs 1.217 million.

The matter was reported to the CEO of District Education Authority and DDOs concerned in September, 2020. 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.

[AIR Para No. 11, 24, 07, 20, 09, 10, 13, 7 & 09]

## 17. District Education Authority (DEA) Vehari

### CHAPTER 17.1

#### Public Financial Management Issues

Directorate General Audit, District Governments Punjab (South) Multan conducts Financial Attest Audit of the Accounts and Financial Statements of District Education Authority prepared by District Accounts Office, Vehari on annual basis.

#### Sectoral Analysis

##### i. Analysis of Financial Resources

To achieve the targets as assigned to CEO by Government of the Punjab, financial resources as given below were made available to CEO (DEA) during 2019-20.

(Rupees in million)

2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	8,381.574	7,371.389	(1,010.185)	-12.05%
Non-Salary	99.966	50.364	(49.602)	-50%
Development	485.658	210.957	(274.701)	-57%
<b>Sub Total</b>	<b>8,967.198</b>	<b>7,632.710</b>	<b>(1,334.488)</b>	<b>-15%</b>

(Source: Appropriation Accounts 2019-20)

Development includes an expenditure of Rs 210.957 million against an allocation of Rs 485.658 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 274.701 million lapsed during the year.

Financial data shows that funds were not utilized to achieve the targets. Huge amount of Rs 1,334.488 million was lapsed due to inefficient management.

## **Analyses of Appropriation Accounts and Financial Statements (Financial Attest Audit 2020-21)**

The following issues surfaced during Financial Attest Audit of District Education Authority Vehari for the Audit Year 2019-20.

- Difference in original Non-Development budget figures as per budget book and appropriation budget grants recorded in original schedule of authorized expenditure – Rs 179.743 million
- Difference between SAP data and Financial Statement of DEA – Rs 62.138 million
- Unauthorized supplementary grants without approval - Rs 571.997 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 2019-20. 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. Detail of targets and achievements is given on next page:

## Status regarding Indicators and their achievements for the Financial Year 2019-20

(Figures in percentage)

Indicator	Sub. Indicator	Comparison of Targets and their Achievements		Remarks
		Targets	Achievements	
Quality indicators LND Test Results	LND	82	85	Achieved
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 2020-21.

- Non-Production of Record worth Rs 234.152 million was reported in one case.
- Procedural Irregularities amounting to Rs 46.734 million were noticed in five cases.
- Value for Money and Service Delivery Issues involving Rs 16.108 million were noticed in two cases.

- Other issues involving an amount of Rs 2.893 million were noticed in one case.

**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. 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. PPR 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.

## AUDIT PARAS

### 17.1.1 Difference between non-development budget as per budget book and Schedule of Authorized Expenditure – Rs 179.743 million

According to Section 2.1.6.3 of Chapter 2 of Financial Reporting Manual, the budget figures will be the aggregate budget at the disposal of the Division/Department (i.e. total of all grants available to DDO's within that District, or Division/Department in the case of SE's) and will be prorated to reflect the activity profile in the case of revenue expenditure. The figures will not be further analyzed to each separate grant (grant wise analysis will be possible through the "Grant -Expenditure Analysis" Statement in the Consolidated Accounts).

During financial attest audit of District Education Authority, Vehari for financial year 2019-20 differences of Rs 179.743 million in original budget in as per budget book and schedule of authorized expenditure was found. The detail is as under:

(Amount in Rupees)

Description	Original Budget as per Budget Book (Non-Dev.)	Original schedule of authorized expenditure (Non-Dev.)	Difference
Final grant/ appropriation	8,661,283,019	8,481,540,043	179,742,976

Difference in figure between original and revised schedule of authorized expenditure and grand summery of Appropriation Accounts may result in wrong presentation of accounts besides correction in all pages where figure reflect.

Audit recommends matter be investigated for preparation of correct Appropriation Accounts to avoid such lapses in future.

DAO stated that original schedule of authorized expenditure is SAP generated. We cannot amend the figures at the level of this office. It is further submitted that the budget book is prepared by the District Education Authority and the Deputy Director (B&A) is authorized to enter the budget in SAP system.

Matter relates to the department and this office has no role in this regard. The para may be transferred to the department. The para may be dropped to the extent of this office.

Para was discussed in detail, the chair briefed the committee that SAP system does not accept the amount of re-appropriation. SAP System shows the re-appropriation figure separately, due to which difference occurs in schedule of authorized expenditures and final grant of appropriation account. The chair further briefed that in last clear house meeting matter was discussed and it was decided that necessary changes in SAP system is being made to resolve the matter. Para kept pending in appropriation account.

### **17.1.2 Difference between SAP data and Financial Statement of DEA – Rs 62.138 million**

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 of A/C V District Education Authority Vehari, it was observed that there was a difference Rs 62.138 million between figures of financial statements and SAP data during 2019-20. Detail is given below:

(Rupees in million)

Head of Account	DHA Account-VI		
	Amount as per SAP	Amount as per Financial Statement	Difference
Trust & other public account-Receipts	15,126.665	15,188.80	-62.138

- Incorrect reporting.
- No clear picture of financial position.
- Chances of errors could not be ruled out

Audit recommends appropriate actions to be taken for preparing actual financial position and production of correct data / amount.

DAO stated that the matter related to AG Punjab. The Accountant General Punjab has taken up the matter with the Worthy Director General (FABS) Islamabad.

Matter was discussed in detail, and it was briefed that the matter has been taken up with the higher ups. Para kept pending till compliance.

### **17.1.3 Unauthorized supplementary grants without approval - Rs 571.997 million**

According to letter No. FD.SO(Goods)44-4/2016 dated 9-August, 2019 of Government of the Punjab Finance Department, 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. Further, 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 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.

During audit of DAO Vehari, Account-V revealed that funds of Rs 571.997 million reflected/issued during 2019-20 as supplementary grant to the different offices of the DEA Vehari without the approval of the Provincial Cabinet through the Chief Minister by excess and surrender statement. DDO demand the budget through excess and surrender statement and budget was provided. Hence, supplementary of Rs 571.997 million was issued without availability of written orders

Audit recommends proper justification or regularization from competent authority.

DAO stated that the para relates to the department. It is duty of the District Education Authority & Deputy Director (B&A) to take approval of supplementary grant. Para be settled to the extent of this office.



## **CHAPTER 17.2**

### **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 Educational 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)	3
Deputy District Education Officers (EE-M)	3
Deputy District Education Officers (EE-W)	3
Higher Secondary Schools (Boys & Girls)	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 2019-20	Revenue / Receipts audited FY 2019-20
1	Formations	199	05	808.999	5.060
2	Assignment Accounts (excluding FAP)	-	-	-	-
3	Authorities / Autonomous Bodies etc. under the PAO	-	-	-	-
4	Foreign Aided Projects (FAP)	-	-	-	-

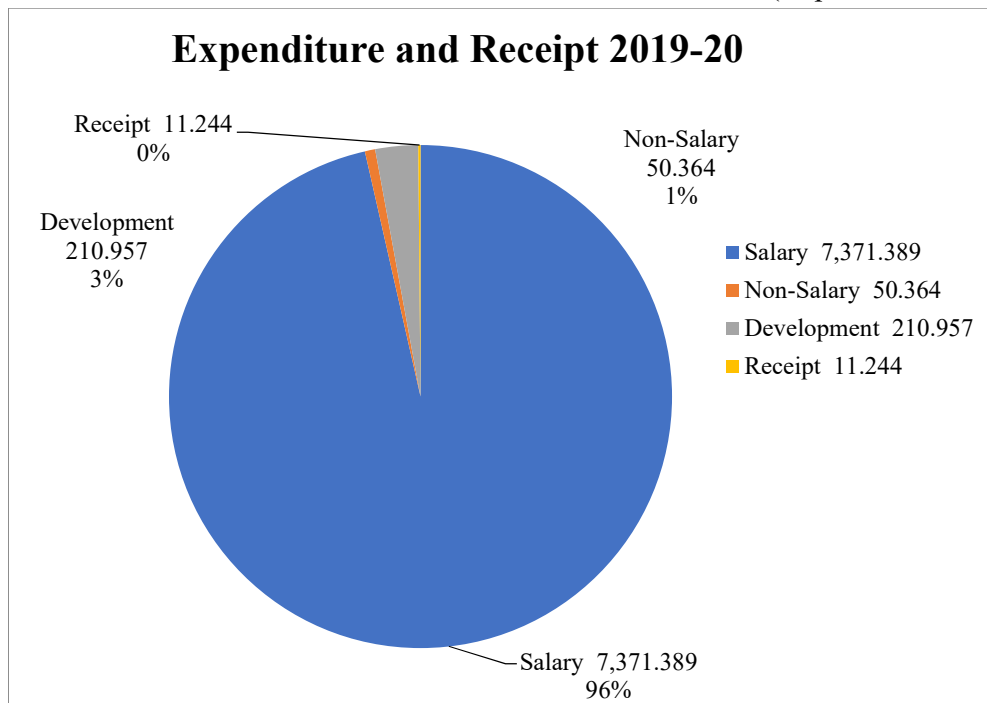
## 17.2.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form

(Rupees in million)

2019-20	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	8,381.574	7,371.389	(1,010.185)	-12%
Non-salary	99.966	50.364	(49.602)	-50%
Development	485.658	210.957	(274.701)	-57%
<b>Sub Total</b>	<b>8,967.198</b>	<b>7,632.710</b>	<b>(1,334.488)</b>	<b>-15%</b>
Receipts	12.553	11.244	(1.309)	-10%

(Rupees in million)

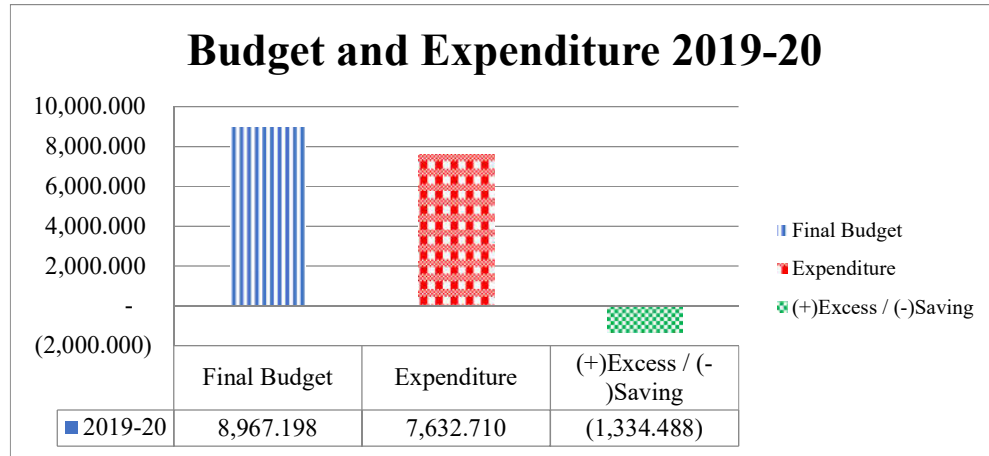


As per the Appropriation Accounts 2019-20 of the District Education Authority Vehari, total original budget (Development and Non-Development) was Rs 8967.198 million. Against the final budget, total expenditure of Rs 7632.710

million was incurred by the District Education Authority during the financial year 2019-20. A lapse of Rs 1334.488 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**)

The annual budget of Authority was approved by the Administrator against the provision of PLGA, 2013 as District Education Authority was not constituted during 2019-20.

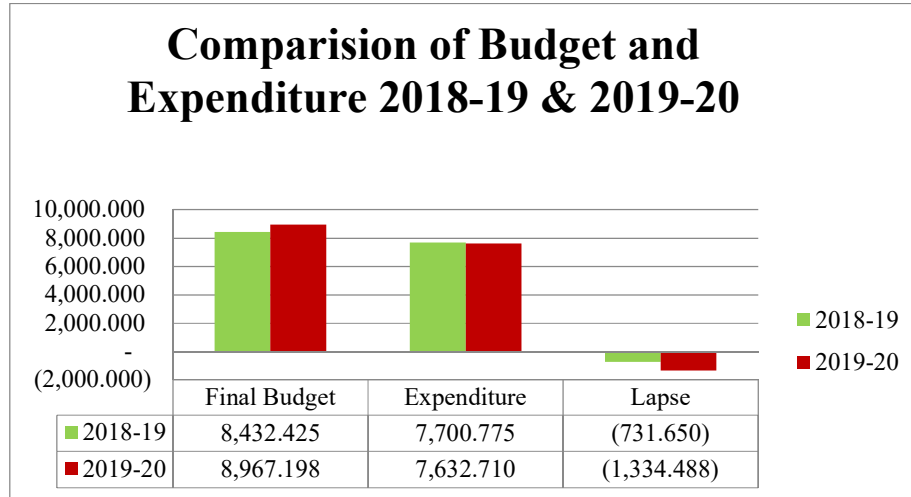
(Rupees in million)



In Education Department savings of Rs 1334.488 million (15% 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 2019-20. 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 in the chart given on the next page.

(Rupees in million)



There was 6% increase in budget allocation and 1% decrease in expenditure incurred respectively during 2019-20 as compared to 2018-19, while there was overall savings of Rs 1,334.488 million during 2019-20.

### 17.2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 299.887 million were raised as a result of this audit. This amount also includes recoverables of Rs 31.673 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	234.152
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Procedural Irregularities	26.907
A	HR / employees related irregularities	14.231
B	Procurement related irregularities	5.596
C	Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	16.108
5	Others	2.893
	<b>Total</b>	<b>299.887</b>

#### **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**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2017-18	12	PAC not constituted
2	2018-19	23	PAC not constituted
3	2019-20	22	PAC not constituted

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### 17.3 Non-Production of Record

#### 17.3.1 Non-production of record – Rs 234.152 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 Chief Executive Officer (DEA), Vehari and following DDOs under the jurisdiction of Chief Executive Officer, DEA Vehari did not produce auditable record of expenditure relating to encashment of LPR and financial assistance, expenditure of various schools from NSB and expenditure pertaining to cluster centers and DSD amounting to Rs 234.152 million during 2019-20. The detail is as under:

(Rupees in million)

Sr. No.	DDOs	Description of Record not Provided	Amount
1	CEO (DEA) Vehari	Record of transportation funds for student of INSAF afternoon program	1.988
2		Record relating to encashment of LPR and financial assistance	103.965
3	Deputy DEO (EE-M) Burewala	Record of schools pertaining to expenditure from NSB	2.038
4	GGMC High School Burewala	Record on account of contingent expenditure for the period 2006-10	1.367
5	Govt. Model High School Mailsi	Record of school pertaining to expenditure from NSB	4.794
6		Record pertaining to cluster centers and DSD	120.000
<b>Total</b>			<b>234.152</b>

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 amounting to Rs 234.152 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. No reply was submitted by the concerned DDOs till the finalization of this report. DAC meeting was not convened despite repeated efforts 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 of Rs 234.152 million.

[AIR Para No. 13, 18, 9, 15, 13 & 40]



## **17.4 Procedural Irregularities**

### **17.4.1 Irregular payment in cash instead of cross cheque – Rs 14.731 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.

The following DDOs of District Education Authority Vehari made payment of Rs 14.731 million in cash during 2001-20 instead of crossed cheque in violation of above mentioned rule. Further, the DDO issued cheques in favor of cashier and cashier made the disbursement in cash. The detail is as under:

(Rupees in million)

<b>Sr. No.</b>	<b>Name of DDO</b>	<b>Amount</b>
1	CEO DEA Vehari	0.388
2	Government Model High School Mailsi Vehari	14.343
<b>Total</b>		<b>14.731</b>

Audit is view that due to weak internal control, payment was made in cash instead of crossed cheque.

Non-observance of rules resulted in irregular payment amounting Rs 14.731 million.

The matter was reported to the PAO and DDO concerned in September, 2020. No reply was submitted by the concerned DDO till the finalization of this report. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure from the Finance Department besides fixing of responsibility against the person(s) at fault.

[AIR Para No. 21, 28]

### **17.4.2 Unauthorized payment of inadmissible allowances - Rs 14.231 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 14.231 million during 2019-20 to employees which were not admissible to them. The details are given below:

(Rupees in million)

Sr. No.	DDOs	Nature of withdrawal	Amount
1	CEO (DEA) Vehari	Charge Allowance	0.064
		Science Teaching Allowance	0.189
		Integrated Allowance	0.075
		Qualification Allowance	0.828
2	Deputy DEO (EE-M) Burewala	Charge Allowance	0.072
		Integrated Allowance	0.007
3	Govt. Model High School Mailsi	Integrated Allowance	1.500
		Science Teaching Allowance	0.144
		Personal Allowance	6.432
		Qualification Allowance	0.120
		Qualification Allowance	4.800
<b>Total</b>			<b>14.231</b>

Due to weak financial management, inadmissible allowances were paid to the employees.

Unauthorized grant of inadmissible allowances resulted in loss to government amounting Rs 14.231 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. No reply was submitted by the concerned DDOs till the finalization of this report. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till the finalization of this Report.

Audit recommends fixing responsibility on the person(s) at fault besides recovery of Rs14.231 million.

[AIR Paras: 07, 09, 11, 17, 06, 10, 15, 18, 23, 38 & 42]

### **17.4.3 Non-maintenance of consumption record of consumable items – Rs 10.738 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.

The Principal/Headmaster Govt. Model High School Mailsi, Vehari withdrawn Rs 10.738 million during financial years 2001-20 on the accounts of NSB for procurement of consumable store items and IT equipment. Proper receipts and consumption record followed by indent, approval, issuance and acknowledgment of store items and IT equipment was not maintained.

Due to weak internal controls, consumption record of store items was not maintained.

Non-maintenance of consumption record resulted in likely misappropriation of funds amounting Rs 10.738 million.

The matter was reported to the PAO and DDO concerned in September, 2020. No reply was submitted by the concerned DDO till the finalization of this report. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till the finalization of this Report.

Audit recommends inquiry in the matter besides action against person (s) at fault.

[AIR Para No. 6, 24]

#### **17.4.4 Doubtful purchase from NSB - Rs 5.596 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 Government through fraud or negligence on his part

Principal GGMC HS Burewala drew Rs 5.596 million from NSB on account of purchases/hiring of services during 2015-20. Audit observed the following shortcomings:

1. Bills of the firms were computer generated instead of machine punched numbers.
2. On receipt of NSB grant, fake bills were prepared as evidence from serial numbers of invoices and payment was made through one cheque for whole grant received.
3. Payment was made to firms without deduction of sales tax, income tax and PST.
4. Stock entries were made at different pages. No proper consumption record of stationery items and bulbs was shown to audit.
5. No history sheet of repair of furniture, machinery and white wash work done was maintained. Huge amounts were drawn just writing repair of furniture/ machinery.
6. No school based action plan was prepared and approved by school council.

Due to weak financial control, NSB was utilized in doubtful manner.

Doubtful expenditure without observing codal formalities resulted in loss of Rs 5.596 million.

The matter was reported to the PAO and DDO concerned in September, 2020. No reply was submitted by the concerned DDO till the finalization of this report. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till the finalization of this Report.

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

[AIR Para No. 03]

#### **17.4.5 Non-accountal into stock – Rs 1.438 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”.

Following DDOs of District Education Authority, Vehari made payment of Rs 1.438 million for purchase of general store items during 2016-20 but those items were not entered / accounted for into relevant stock registers. Detail is given below:

(Rupees in million)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Period</b>	<b>Amount</b>
1	CEO (DEA) Vehari	2019-20	0.745
2	Govt. Girls MC HS Burewala	2016-17	0.693
<b>Total</b>			<b>1.438</b>

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 1.438 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. No reply was submitted by the concerned DDOs till the finalization of this report. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till the finalization of this Report.

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

[AIR Para No. 15 & 01]

## **17.5 Value for Money and Service Delivery Issues**

### **17.5.1 Unauthorized payment of social security benefits – Rs 14.549 million**

According to Orders No.771, 1040, 1041, 3829 and 3827/Admn dated March 2020 to October, 2019 of District Education Officer (EE-W) Vehari Educators were regularized w.e.f 01.10.2019. 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.

The following DDOs of District Education Authority Vehari did not recover excess paid social security benefit of Rs 14.549 million from the teachers whose services were regularized during 2018-20. The details are as under:

(Rupees in million)

<b>Sr. No.</b>	<b>Name of DDOs</b>	<b>Amount</b>
1	Dy. DEO (EE-W) Mailsi	4.144
2	Headmaster Government Model High School Mailsi	6.752
3	Deputy District Education Officer (EE-M) Burewala	3.653
<b>Total</b>		<b>14.549</b>

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 14.549 million.

The matter was reported to the PAO and DDO concerned in September, 2020. No reply was submitted by the concerned DDO till the finalization of this report. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till the finalization of this Report.

Audit recommends proper justification or recovery of Rs 14.549 million, besides fixing responsibility on the person(s) at fault.

[AIR Para No.08, 34, 02]

### 17.5.2 Unauthorized payment of pay & allowances – Rs 1.559 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.

The following DDOs of District Education Authority Vehari allowed unauthorized withdrawal of pay and allowances amounting to Rs 1.559 million to employees without entitlement. The details are as under:

(Rupees in million)

Sr. No.	Name of DDO	Description	Amount	Remarks
1	CEO DAE Vehari	Adhoc Relief 2019	0.120	Adhoc relief @ 10% was allowed to officers of BPS-17 & above instead of 5% admissible to them
		Pay & Allowances	0.181	Salaries was paid during absent period without leave
2	Deputy DEO (EE-M) Burewala	Adhoc Relief 2010, 2012	0.733	These allowances have been abolished
		Adhoc Relief 2016	0.236	Adhoc Relief Allowance 2016 was allowed to those teachers who were appointed after 01.07.2017. The said allowance was freeze on 01.07.2017 and is allowed to all new incumbents on initial basic pay of scale.
3	Deputy DEO (EE-W) Mailsi	Pay and allowances	0.289	Payment of pay and allowances was made despite leave without pay
<b>Total</b>			<b>1.559</b>	

Due to weak internal controls, unauthorized payment of pay and allowances were made to staff.

Unauthorized payment of pay and allowance resulted in loss to Government of Rs 1.559 million.

The matter was reported to the PAO and DDO concerned in September, 2020. No reply was submitted by the concerned DDO till the finalization of this

report. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of overpaid amount besides taking action against person(s) at fault.

[AIR Para No. 10,12, 03, 08,14]



## 17.6 Others

### 17.6.1 Irregular excess payment of pay and allowances despite transfer – Rs 2.893 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.

Deputy District Officer (EE-W) Mailsi made payment of Rs 2.893 million during 2018-20 on account of pay and allowances to different staff despite transfer of the concerned staff to other districts. As per SAP HR data, pay and allowance was drawn against DDO Code of office during the whole year despite transfer to teacher to other district. The details are as under:

(Amount in Rupees)

Year	Pers. No.	Name of Employee	Date of Joining	Grade	Job Title	Cost Center	B. Pay	Total
2019-20	32082528	Kiran Aslam	01.03.2018	14	ESE (Science/Math)	VY6011	Basic Pay	204,390
2019-20	30856270	Nasira Perveen	11.11.2004	15	EST General	VY6011	Basic Pay	330,430
2019-20	31986288	Humaira Jabeen	01.08.2017	14	E.S.E	VY6011	Basic Pay	204,390
2019-20	30865978	Najma Parveen	22.12.1992	14	P S T	VY6011	Basic Pay	358,830
2019-20	30881363	Rashida Kalsoom	13.07.2009	14	P S T	VY6011	Basic Pay	246,510
2019-20	31977680	Sundas Fatima	01.08.2017	14	E.S.E	VY6011	Basic Pay	204,390
2019-20	31569124	Riffat Abbas	08.01.2016	15	EST General	VY6011	Basic Pay	250,630
2018-19	31988167	Nargis Aslam	01.08.2017	14	E.S.E	VY6011	Basic Pay	190,350
2018-19	31988225	Kalsoom Akhtar	01.08.2017	14	ESE (Science/Math)	VY6011	Basic Pay	190,350
2018-19	30879926	Naheed Kousar	23.05.1990	15	E.S.T Teacher	VY6011	Basic Pay	521,950
2018-19	31942696	Alia Parveen	01.08.2017	14	ESE (Science/Math)	VY6011	Basic Pay	190,350
<b>Total</b>								<b>2,892,570</b>

Due to weak internal controls, pay and allowance were paid despite transfer of employees.

Payment of pay and allowance despite transfer to other districts resulted in irregular payment amounting Rs 2.892 million.

The matter was reported to the PAO and DDOs concerned in September, 2020. No reply was submitted by the concerned DDOs till the finalization of this report. DAC meeting was not convened despite repeated efforts by Audit. No progress was intimated till the finalization of this Report.

Audit recommends proper justification or recovery of Rs 2.892 million from the concerned.

[AIR Para No. 13]

## **ANNEXURES**

## Annex-A

## Part - I

**Memorandum for Departmental Accounts Committee Paras Pertaining  
to the Audit Year 2020-21**

**District Education Authorities, Bahawalpur Region**

(Rupees in million)

Formation	Sr. No.	Para No.	Subject	Amount
<b>District Education Authority, Bahawalnagar</b>				
CEO (DEA) BWN	1	4	Unauthorized drawl of pay & allowance without mentioning date of appointment	333.770
	2	5	Irregular Drawl of Integrated allowance	0.121
	3	6	Loss due to unjustified payment of irrelevant allowances	0.025
	4	8	Unauthorized Payment of Charge Allowance to AEOs	0.515
	5	9	Loss to Government due to non-deduction of pay & allowances from absent staff	0.620
	6	17	Irregular payment of arrears and non-reconciliation of releases with account office Rs 48.016 million	48.016
	7	18	Unauthorized release of supplementary grant in violation of Austerity Measures	181.645
	8	21	Doubtful expenditure on repair of vehicle	0.231
	9	23	Non compliance of audit /DAC directives on preceding audit reports	-
	10	25	Irregular withdrawal of NSB funds without pre-audit	242.546
	11	27	Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA	0.005
	12	29	Unjustified expenditure on TA/DA	0.664
Dy. DEO(EE-W) MND	13	1	Doubtful expenditure on repair of vehicle	0.273
	14	5	Unjustified retention of funds of schools shifted to PEF	0.647
	15	6	Doubtful consumption of store items by maintaining improper disbursement record of store items	0.166
	16	7	Loss due to doubtful consumption of POL	0.451
	17	10	Irregular payment of arrears and non-reconciliation of releases with account office Rs 10.125 million	10.125
	18	11	Loss due to Non Deduction of Group Insurance, Behbood Fund and GP Fund	0.481
	19	17	Loss to government due to unjustified drawl of social security benefit after regularization	0.056
	20	19	Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA	0.018
	21	21	Loss to Government due to non-deduction of pay & allowances from absent staff	0.045

Formation	Sr. No.	Para No.	Subject	Amount
	22	22	Loss to Government due to payment pay & allowances without performing duties to the post	1.531
Dy. DEO(EE-M) MND	23	1	Loss due to payment of irrelevant allowances	0.694
	24	4	Fraudulent / unauthorized drawl of school fund by District Education Officer	0.060
	25	6	Fraudulent / Unauthorized drawl of school funds by AEO	0.558
	26	10	Fraudulent drawl of POL	0.098
	27	16	Loss due to unjustified payment of personal allowance after promoting into next scale	0.019
	28	17	Unjustified retention of funds of schools shifted to PEF	0.553
	29	18	Unjustified expenditure on account of repair of vehicle	0.190
	30	23	Loss due to non auction of old / dry trees and other items	0.080
	31	26	Loss due to non finalization of inquires initiated by Deputy DEO	5.442
	32	29	Loss due to illogical repair and white washing of dangerous / shelter less declared buildings	0.225
Dy. DEO (EE-M) HND	33	2	Unjustified payment of charge allowance to AEOs	0.008
	34	5	Loss due to payment of inspection allowance during lockdown	0.276
	35	7	Loss due to non deduction of Funds from salaries	0.011
	36	11	Loss due to Showing Higher Rates of Store Items	0.034
	37	12	Loss due to misuse / theft of electricity	0.215
	38	14	Loss of taxes due to making purchases from unregistered firms	0.096
	39	15	Loss due to showing purchases at higher rates by "School Councils"	2.751
	40	16	Loss due to non auction of old / dry trees	1.300
	41	17	Loss due to misappropriation of fans after installation of solar technology	1.602
	42	18	Drawl without requirement and unjustified retention of cash	0.088
	43	20	Illogical higher / further qualifications and doubtful drawl of qualification allowance	0.142
Dy. (EE-W) BWN	44	6	Doubtful drawl of salary arrears without additional budget and non production of bills	39.175
	45	11	Loss due to Misappropriation of Funds through Doubtful Billing	0.079
	46	12	Loss due to Showing Higher Rates of Store Items	0.082
	47	13	Loss due to misuse / theft of electricity	1.080
	48	18	Loss due to showing purchases at higher rates by "School Councils"	4.936
	49	19	Loss due to non auction of old / dry trees	1.280
	50	21	Loss due to misappropriation of fans after installation of solar technology	1.602

Formation	Sr. No.	Para No.	Subject	Amount
<b>District Education Authority, Bahawalpur</b>				
CEO (DEA) BWP	1	6	Withdrawal of NSB funds without pre-audit	250.438
	2	7	Loss due to non-registration of private schools	3.553
	3	8	Loss due to non realization of renewal / inspection fee	0.399
	4	9	Loss due to delay in registration / renewal of private schools	0.15
	5	12	Irregular / Un-justified expenditure on food	27.344
	6	13	Un-justified expenditure on salaries	46.254
	7	14	Un-authorized release of supplementary grants	130.232
	8	15	Difference in amount regarding re-appropriation of funds	349.546
	9	16	Release of budget and uploading on SAP/R-3 without approval of the competent authority	9,167.20
	10	18	Non-surrender of the savings	151.929
	11	24	Non shifting / transfer of staff as per transfer policy	
Pension audit of CEO (DEA), Bahawalpur	12	3	Unjustified payment of pension to unauthorised successor	0.165
	13	4	Sanction of family pension against doubtful marital status of successor	-
	14	6	Non receiving of pension contribution share from MCs	-
	15	9	Wilful delay of pension payment cases and non-initiating disciplinary action against delaying officers / officials	-
	16	10	Doubtful payment of family pension without original documents	0.871
	17	11	Non-production of Service record of retired employees	0
Dy. DEO (EE-M) Bahawalpur Sadar	18	3	Irregular mode of payment - Rs 3.250 million	3.250
	19	5	Irregular drawl of TA/DA without counter signature of controlling officer	1.203
	20	8	Loss due to non-accountal of items into stock register	0.401
	21	9	Irregular working of School Councils and expenditure thereof	1.940
	22	12	Irregular payment of arrears of pay and allowances without additional budget and non production of bills – Rs 9 million	9
	23	14	Irregular withdrawal of NSB funds without pre-audit	156.653
	24	15	Loss due to unjustified payment Charge allowance	0.107
	25	1	Loss due to inadmissible payment of charge allowance to AEOs	0.146
Dy. DEO (EE-M) Yazman	26	2	Overpayment of Charge Allowance to head teachers of primary schools	0.156
	27	3	Irregular drawl of arrear without obtaining additional budget and non production of arrear bills	40.917
	28	4	Un-justified retention of funds of schools shifted to PEF	3.075
	29	10	Unjustified payment of qualification allowance	9.864
	30	13	Loss due to unauthorized award of advance increments to PTC Teachers	0.276

Formation	Sr. No.	Para No.	Subject	Amount
	31	15	Irregular award of advance increments to elementary school teachers on account of B.Ed and MA	0.132
	32	20	Irregular drawl of Personal Allowance	0.262
	33	21	Irregular drawl of hard area allowance	0.027
	34	22	Un-justified / doubtful expenditure	0.200
	35	23	Doubtful expenditure through NSB	0.506
	36	24	Improper maintenance of cash books for NSB	0
	37	25	Non compliance of DAC directives on preceding audit reports	0
Dy. DEO (EE-W) APE	38	1	Doubtful expenditure on repair of vehicle	0.150
	39	5	Unjustified retention of funds of schools shifted to PEF	1.645
	40	9	Non Production of Record	0
	41	10	Irregular payment of arrears and non-reconciliation of releases with account office	15.149
	42	11	Loss due to Non-Deduction of Group Insurance, Behbood Fund and GP Fund	0.393
	43	12	Unauthorized drawl of pay & allowance without mentioning date of entry in service	1.339
	44	14	Loss to government due to non performing duties of Community mobilization by AEOs	6.649
	45	15	Un-justified payment of irrelevant integrated allowances	0.049
	46	17	Non compliance of audit /DAC directives on preceding audit reports	0
	47	19	Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA	0.015
Dy. DEO (EE-W) KPT	48	21	Loss to Government due to non-deduction of pay & allowances from absent staff	0.284
	49	5	Loss due to unjustified payment of personal allowance after promoting into next scale	0.006
	50	6	Withdrawal of pay and allowances against posts not sanctioned in budget book	9.980
	51	7	Irregular expenditure on pay and allowances due to non possession of requisite professional qualification Rs 704,747 and recovery of pay & allowances drawn after termination from Service	0.705
	52	8	Irregular drawl of arrears of pay & allowances without additional budget and non production of arrear bills	9.667
	53	10	Unjustified retention of funds of schools shifted to PEF	0.151
	54	12	Loss Due to Non-Auction of Old / Dry trees	0.060
	55	13	Non-maintenance of record of consumable items	0.488
	56	17	Doubtful expenditure due to non updating and maintenance of crucial record	4.785
	57	18	Irregular expenditure from NSB funds	5.163

Formation	Sr. No.	Para No.	Subject	Amount
<b>District Education Authority, Rahim Yar Khan</b>				
CEO (DEA) RYK	1	7	Loss due to non deduction of LD charges for late supplies	0.172
	2	14	Non-maintenance of cash book of DEA	-
	3	16	Loss due to unjustified payment of charge allowance	0.071
	4	17	Un-authorized release of supplementary grants	1988.512
	5	18	Loss due to non-registration of private schools	0.770
	6	23	Un-justified expenditure on salaries	2.798
	7	24	Withdrawal of funds without pre-audit on account of improvised class rooms	886.901
Dy. DEO (EE-W) LQP	8	1	Misappropriation of funds through managed billings	0.250
	9	2	Shortage of stock	0.750
	10	3	Non initiation of actions against the employees	0
	11	6	Doubtful/Unjustified expenditure without any demands	2.131
	12	7	Loss due to unjustified claiming excess travelling	0.090
	13	8	Loss due to drawl of POL on the basis of contradictive travelling between logbook and TA/DA claims	0.083
	14	9	Unjustified drawl of funds on the basis of managed record	0.681
	15	10	Doubtful expenditure of POL due to improper maintenance of Log Books	0.921
	16	11	Misclassification of expenditure	0.085
	17	13	Misappropriation in NSB funds	0.140
	18	19	Irregular payment of arrears of pay and allowances without additional budget and non production of bills	43.584
	19	20	Irregular mode of payment	34.425
	20	24	Unjustified expenditure on account of repair of vehicle	0.247
21	26	Purchases through doubtful firms	0	
Dy. DEO (EE-W) SDK	22	2	Loss due to payment of irrelevant allowances	0.435
	23	3	Unjustified payment of charge allowance to AEOs	0.008
	24	4	Loss due to unjustified payment of personal allowance after promoting into next scale	0.084
	25	5	Un-authorized payment of qualification allowance	0.026
	26	6	Unjustified expenditure on account of repair of different items	0.802
	27	7	Loss due to misuse / theft of electricity	0.803
	28	9	Doubtful drawl of salary arrears without additional budget and non production of bills	6.565
	29	10	Non accountal into stock register	0.573
	30	11	Loss due to excessive expenditure on Inspection Allowance	0.080
	31	12	Payment of salary to absent employees	0.018
	32	13	Unauthorized retention of Public Money into Account of DDO	0.864
	33	15	Loss due to non auction of old / dry trees	0.816



Formation	Sr. No.	Para No.	Subject	Amount
	34	16	Fraudulent drawl of POL	0.020
	35	19	Unjustified retention cash in hand	0.062
Dy. DEO (EE-M) RYK	36	1	Loss due to inadmissible payment of charge allowance to AEOs	0.092
	37	2	Irregular drawl of arrear without obtaining additional budget and non production of arrear bills	70.783
	38	5	Un-justified retention of funds of schools shifted to PEF	5.202
	39	11	Irregular drawl of Personal Allowance	0.139
	40	13	Loss due to payment of inadmissible allowances	1.357
	41	24	Un-authorized recruitment of PTC Teachers below prescribed qualification resulting in irregular expenditure on pay	0.676
	42	25	Loss due to unauthorized award of advance increments to PTC Teachers	0.069
	43	26	Irregular award of advance increments to elementary school teachers on account of B.Ed and MA	0.224
	44	27	Non compliance of DAC directives on preceding audit reports	0
Dy. (EE-M) LQP	45	1	Loss due to payment of irrelevant allowances	1.028
	46	2	Unjustified payment of charge allowance to AEOs	0.096
	47	3	Unjustified payment of inspection allowance other than AEOs	0.121
	48	6	Doubtful drawl of salary arrears without additional budget and non production of bills	58.474
	49	7	Loss due to non deduction of Funds from salaries	0.018
	50	11	Loss due to Misappropriation of Funds through Doubtful Billing	1.058
	51	12	Loss due to Showing Higher Rates of Store Items	0.156
	52	13	Loss due to misuse / theft of electricity	1.569
	53	16	Loss due to showing purchasing at higher rate by SC	4.389
	54	17	Non-deposit of sale proceeds of old material into treasury	0.016
	55	18	Loss due to non auction of old / dry trees	2.200
	56	19	Loss due to misappropriation of fans after installation of solar technology	2.786
	57	20	Drawl without requirement and unjustified retention of cash	0.120
	58	21	Loss due to illogical repair and white washing of dangerous declared buildings	6.645
	59	22	Unauthorized retention of Public Money into Account of DDO	6.166
	60	24	Loss due to doubtful consumption of POL	0.473
	61	25	Illogical higher / further qualifications and doubtful drawl of qualification allowance	0.895
	62	26	Loss due to misappropriation of funds through fake invoicing / shortage of stock	0.136

Formation	Sr. No.	Para No.	Subject	Amount
	63	27	Loss due to payment of pay & allowance	11.049
	64	28	Loss due to doubtful / fake Repair of vehicle	0.272
	65	30	Loss due to illogical verbal orders of CEO (DEA)	6.797

### District Education Authorities, DG Khan Region

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
<b>District Education Authority, D.G Khan</b>				
1	CEO (DEA)	4	Un-authorized payment of previous year liabilities	24.436
2		5	Defective Budgeting due to variation in figure of closing balance	787.230
3		6	Unauthorized provision of supplementary grant	1,674.990
4		11	Unauthorized allocation of funds without token grant	120.111
5		13	Unjustified budget allocation resulting in unspent balance	366.443
6		14	Unauthorized purchased of air-conditioned without approval of austerity committee	3.522
7		15	Purchase of stores without tender advertisement	0.868
8		16	Loss due to unjustified budget allocation and expenditure	16.420
9		18	Loss to Govt. due to non recovery of inspection fee from private schools	0.234
10		19	Loss to govt. due to non recovery of registration fee from un-registered schools	0.583
11		20	Expenditure over and above the budget allotment	17.268
12		21	Procurement of computers in violation of approved specification	54.990
13	CEO (DEA) <b>Pension Payment Related Paras</b>	1	Payment of pension without life certificate	21.288
14		2	Overpayment due to non-recovery/stoppage of pay & Allowance after retirement	0.242
15		3	Overpayment of Conveyance Allowance	0.093
16		4	Overpayment due to non-recovery / stoppage of pay & Allowance after retirement	0.080
17		5	Overpayment of Charge Allowance	0.010
18		7	Non-production of Service record of retired employees	
19		8	Overpayment due to non-recovery / stoppage of family pension	0.061
20		Dy.DEO (EE-W)	17	Un-authorized payment against weather shield
21	Taunsa	19	Misappropriation NSB funds	0.130

Sr. No.	DDOs	Para No.	Subject	Amount
22	Dy. DEO (EE-M) D.G Khan	23	Doubtful expenditure on payment of salaries to staff appointed through NSB grant	0.261
23		28	Likely Misappropriation/Adjustment of NSB fund	4.056
24		10	Misappropriation on account of NSB fund	0.080
25		15	Unjustified Drawl against M.Phil. Allowance	0.070
26		20	Misappropriation on account of NSB Fund	0.235
27		21	Embezzlement On Account of NSB Fund	0.060
28		25	Irregular Adjustments of 30% SSB to Regular Teachers	0.125
29		27	Recovery due to unjustified payment of salaries of absent period	0.017
30	Dy. DEO (EE-W) D.G Khan	7	Recovery of irregular payment of Conveyance allowance against OSD	0.046
31		12	Unauthorized Payment of salaries	0.676
32		16	Recovery due to Unjustified grant of leave with pay	0.132
33		29	Misappropriation against drawl of NSB fund through fake billing	0.860
34		30	Misappropriation due drawl of NSB fund without resulation	0.441
35	Dy. DEO (EE-M) Taunsa	17	Un-authorized payment against weather shield	0.747
36		21	Misappropriation NSB funds	0.350
37		24	Un-authorized advance recovery and deposit of conveyance allowance and salaries	0.457
<b>District Education Authority, MUZAFFARGARH</b>				
1	CEO (DEA)	1	Loss due to Un-Authorized withdrawal of Pay	0.095
2		2	Loss to govt. Due to non recovery of registration fee from un-registered schools	0.131
3		3	Loss to govt. Due to non recovery of annual inspection fee from private registered schools	0.015
4		4	Loss to govt. Due to non recovery of annual inspection fee from private registered schools (Ghazali Schools)	0.351
5		5	Unjustified expenditure on construction of boundary wall	21.034
6		6	Unverified expenditure of amount transferred as deposit work	56.962
7		7	Unjustified Drawl of Hotel Charges , Recovery of GST	0.053
8		11	Overpayment due to payment of higher rates of POL than notified by OGRA	0.011
9		12	Unjustified Expenditure on Account of Photocopies	0.454
10		9	Unauthorized withdrawal of pay and allowances	0.432

Sr. No.	DDOs	Para No.	Subject	Amount
11	Dy. DEO (EE-W) Kot Addu	11	Unjustified expenditure out of NSB fund for uniform and bags	0.098
12		12	Unjustified expenditure out of NSB fund for repair and maintenance	0.370
13		13	Misappropriation out of NSB funds	0.084
14		15	Unauthorized drawl of pay and allowances for absent period	0.033
15		24	Less deduction of Group Insurance from employee's salaries	0.161
16		25	Recovery of overpayment of salaries due to wrong fixation of basic pay of AEOs	0.118
17		26	Recovery due to payment of inadmissible allowances	0.331
18		27	Irregular payments against arrears of pay and allowances	8.555
19		Dy. DEO (EE-M) Kot Addu	2	Unjustified drawl of charge allowance by the AEOs
20	4		Incurrence of expenditure beyond the authorized financial limit	13.126
21	8		Blockage of Government money due to non utilization of NSB funds	19.987
22	12		Unjustified expenditure out of NSB fund	32.369
23	13		Non-compliance of recovery against previous audit Paras	-
24	14		Doubtful payment of pay and allowances without date of joining	3.764
25	15		Internal audit and monitoring system	-
26	17		Unauthorized drawl of inadmissible allowances	0.444
27	18		Unauthorized payment of salary after transfer	1.264
28	Dy. DEO (EE-W) M.Garh	15	Non Deposit of Fine imposed by authority Recovery of	0.072
29		19	Irregular payments against arrears of pay and allowances	8.085
30		24	Doubtful Expenditure out of NSB On account of Uniform & Bags	0.069
31		27	Unjustified payment of salaries without sanctioned post	0.661
32	Dy. DEO (EE-M) M.Garh	2	Loss due to Un-Authorized withdrawal of increments	0.346
33		4	Misclassification of expenditure	0.229
34		12	Unjustified expenditure out of NSB fund	14.574
35		16	Misappropriation of NSB funds	2.100
36		18	Unjustified payment of TA / DA	0.363
37		19	Unjustified payment of qualification allowance	0.005
38		21	Unauthorized withdrawl on construction work	1.481

Sr. No.	DDOs	Para No.	Subject	Amount
39		25	Unjustified expenditure out of NSB fund for repair and maintenance	0.536
<b>District Education Authority, LAYYAH</b>				
1	CEO (DEA)	2	Execution of RCC work without quality test	7.307
2		4	Non maintenance of security deposit register	2.582
3		6	Overpayment on account of use of local sand	0.129
4		17	Unauthorized of salaries due to Foreign Service without approval	0.320
5		18	Overpayment pay due leave on half pay	0.186
6		20	Irregular expenditure on repair of vehicle	0.242
7		27	Unjustified budget allocation resulted unspent balance	36.632
8		28	Unauthorized provision of supplementary grant	12.870
9	Dy.DEO (EE-M) Karor	14	Unjustified expenditure out of SMC / NSB fund	20.171
10		15	Unjustified expenditure on repair of vehicle	0.109
11		16	Unjustified and doubtful consumption of POL	0.282
12	Dy.DEO (EE-W) Layyah	5	Loss due to Un-Authorized Payment of Pay	0.689
13		6	Misclassification of expenditure	0.049
14	Dy.DEO (EE-M) Layyah	12	Unjustified expenditure out of SMC / NSB fund	0.926
15		2	Unauthentic payment on civil work	0.126
16		7	Less deduction of group insurance from employees salaries	0.142
17		10	Overpayment on account of qualification allowance	3.304
18		15	Unauthorized expenditure on purchase of furniture	3.603
19		20	Unauthentic expenditure on purchase of children uniforms	0.220
20	Dy.DEO (EE-W) Karor	4	Non deduction of G.P Fund from the pay of permanent employees	0.723
21		15	Less deduction of group insurance from employees salaries	0.111
22		20	Payments without detailed design and measurements	1.172
23		21	Loss to Government due to payment of income tax out of school council fund	0.572
24		23	Unauthorized expenditure on purchase of furniture	3.012
25		24	Unjustified expenditure out of SMC / NSB fund	0.853
26		26	Un-authorized drawal of pay without sanctioned posts	1.620
27		28	Overpayment due to allowing higher rates of House rent allowance	0.007
<b>District Education Authority, Rajanpur</b>				
1	CEO (DEA)	8	Un-authentic expenditure on POL	0.101
2		9	Un-authentic drawl of TA/DA	0.654
3		10	Unauthentic purchase of durable items	0.242

Sr. No.	DDOs	Para No.	Subject	Amount
4		11	Unauthentic expenditure on stationery without consumption	0.400
5		12	Unjustified purchase of store	0.411
6		13	Unjustified Expenditure on Photocopies	0.549
7		14	Unauthentic expenditure on payment of TA/DA	0.396
8		16	Unjustified payment of TA / DA	0.122
9		17	Unauthorized expenditure on repair of vehicles	0.370
10		21	Un-Justified purchased UPS at excessive rate	0.078
11		22	Loss to Govt. due to non recovery of annual inspection fee from private registered schools	0.024
12		23	Loss to Govt. due to non-recovery of registration fee from un-registered schools	0.456
13	Dy. DEO (EE-M) Jampur	4	Recovery of pay and allowances during leave without pay	0.044
14		10	Unauthorized expenditure on POL	0.410
15		14	Un-authorized drawl of science teaching allowance	0.007
16	Dy. DEO (EE-M) Rajanpur	7	Doubtful expenditure on POL	0.378
17		10	Loss on account of conveyance allowance	0.390
18		11	Doubtful expenditure on Photo copies	0.100
19		12	Laps of fund	7.862
20	Dy. DEO (EE-W) Jampur	3	Unauthentic drawl by showing repair of vehicle	0.082
21		4	Expenditure beyond competency	15.106
22		6	Doubtful payment on account of POL	0.130
23		7	Unauthentic expenditure on Photostat	0.031
24		11	Unauthorized withdrawl on construction work	3.138
25		12	Un-authorized expenditure on TA/DA	0.200
26		13	Less deduction of group insurance from employees salaries	0.080
27		16	Un-Justified payment of Science teaching allowance	0.014
28		19	Unauthorized and doubtful purchase of furniture	2.472
29		21	Unjustified drawl of charge allowance	0.026
30		23	Blockage of Government Money due to Non-utilization of NSB Fund	0.984
31		27	Overpayment due to non fixation of basic pay	0.101
32		28	Overpayment due to payment of personal allowance at excessive rate	0.735
33		29	Overpayment of Qualification Allowance at excessive rates	0.018
34		30	Overpayment of daily allowance	0.022
35		32	Unauthentic Expenditure due to non having expense of store	0.238
36		33	Unauthentic payment on account of POL	0.021
37		34	Unjustified expenditure on repair and maintenance	0.046

Sr. No.	DDOs	Para No.	Subject	Amount
38		35	Overpayment due to non-recovery of 30%ssb after regularization of services	0.859
39	Dy.DEO (EE-W) Rajanpur	1	Recovery of overpayment due to non fixation of basic pay	0.416
40		3	Overpayment due to non adjustment of adhoc allowances after regularization	0.125
41		4	Drawal of salaries without obtaining professional qualification	3.317
42		5	Expenditure beyond competency	10.579
43		6	Non recovery of penalty/fine imposed during absent period and non maintenance and production of record	0.008
44		8	Less deduction of group insurance from employees salaries	0.076
45		12	Recovery due to Unjustified grant of leave on half/without pay	0.251
46		19	Irregular Adjustments of 30%SSB to Regular Teachers	0.074
47		24	Unauthorized and doubtful purchase of furniture	0.769
48		25	Unauthorized withdrawl on construction work	3.134

### District Education Authorities, Faisalabad Region

(Rupees in million)

Sr. No.	Name of Formation	Para No.	Title of Para	Amount
<b>District Education Authority, CHINIOT</b>				
1	CEO, DEA, Chiniot	1	Non-recovery of embezzled amount	0.468
2		2	Payment without receipt of library books	0.300
3		5	Procurement through fake competition by using managed quotations	0.394
4		12	Unauthorized payment of House Rent Allowance	0.106
5		13	Excess payment of transfer grant and luggage charges	0.094
6		16	Excess payment to contractor beyond agreement cost	0.283
7		17	Unknown whereabouts of fund drawn from Government treasury	0.424
8		20	Non-inspection of private schools and non-recovery of inspection fee	0.178
9		21	Irregular and unauthentic expenditure on repair and POL of vehicle	0.931
10		23	Irregular payment of Cash Award	0.400
11		24	Utilization of NSB funds without pre-audit and non-submission of vouched accounts	-

Sr. No.	Name of Formation	Para No.	Title of Para	Amount
12		25	Withdrawal of funds without maintaining supporting record	0.095
13		26	Unauthorized payment of GST on exempted items	0.040
14		27	Execution of works without executing Contract Agreements	45.195
15		28	Non-deduction of Social Security Contribution	0.518
16	Deputy DEO (EE-M) Chiniot	1	Irregular drawl of pay and allowances after expiry of prescribed tenure	1.450
17		2	Irregular payment of cash award	0.150
18		3	Unauthorized drawl of Charge Allowance	0.027
19		4	Unauthorized drawl of pay after completion of tenure of service at one office / station	0.878
20		8	Unjustified payment of Inspection Allowance	1.950
21		10	Irregular expenditure beyond the competence of School Councils	1.619
22	Deputy DEO (EE-W) Bhowana	1	Irregular cash payments by School Councils	9.290
23		7	Non-deduction / verification of General Sales Tax	0.609
24		8	Payments without mentioning particulars of payees	0.334
25		10	Excess payment of pay and allowances on regularization	0.012
26		11	Unauthorized withdrawal of Charge Allowance	0.052
27		12	Unauthorized withdrawal of Qualification Allowance	0.035
28		14	Unauthorized payment of GST on exempted items	0.022
29		Deputy DEO (EE-W) Chiniot	3	Irregular payment of cash award
30	5		Unjustified payment of Inspection Allowance	3.300
31	7		Irregular expenditure beyond the competence of School Councils	2.270
32	9		Procurement at excessive price	0.136
33	Deputy DEO (EE-W) Lalian	8	Unauthorized withdrawal of Charge Allowance	0.111
34		9	Unauthorized withdrawal of Personal Allowance	0.049
35		11	Unauthorized payment of pay and allowances	0.659
36		12	Non-utilization of student funds	3.498
37		13	Unauthorized payment of Adhoc Allowance 2010	0.042
38		14	Unjustified payment of Inspection Allowance	6.200
<b>District Education Authority Faisalabad</b>				
1	CEO, DEA, Faisalabad	3	Irregular expenditure under head of TA/DA	0.142
2		5	Irregular payment of cash award	0.712
3		6	Less deposit of stamp duty	0.024
4		12	Non-reconciliation of expenditure incurred out of SDA	-
5		13	Irregular budgeting of receipts and expenditure of Authority	-



Sr. No.	Name of Formation	Para No.	Title of Para	Amount
6		15	Non-maintenance of private schools' registration/renewal record	14.040
7		16	Retention of strength of vehicles without sanction from Administrative Department	-
8	District Education Authority	1	Unauthorized drawal of Pension by Government Employee	0.174
9		3	Payment of pension disproportionately	0.184
10	(Issues Related to Pension Payments)	5	Non-distribution of funds available in erstwhile District Government pension bank account	0.429
11	Deputy DEO (EE-W)	7	Irregular cash payment	0.526
12	Jaranwala	16	Loss to Government due to theft of store items	0.034
13		11	Non-recovery of monitoring fine	0.162
14	Deputy DEO (EE-M)	12	Non-recovery of fine imposed under PEEDA Act	0.093
15	Jaranwala	13	Unauthorized expenditure on payment of salaries from NSB	1.633
16	Deputy DEO (EE-W) Sadar, Faisalabad	10	Non-credit of profit to District Education Authority Account	0.013
<b>District Education Authority, Jhang</b>				
1	CEO DEA Jhang	2	Non-devising mechanism for utilization of savings of development schemes	11.984
2		10	Expenditure through doubtful quotations	0.998
3		1	Irregular cash payments	8.769
4		6	Irregular payment of salaries due to non-acquiring mandatory qualification by teachers	1.575
5		12	Non-credit of profit to Account-V of District Education Authority	0.494
6	DDEO (EE-M) Jhang	17	Payment of Conveyance Allowance to OSD post and during LPR	0.147
7		20	Non-recovery of fine imposed by monitoring staff	0.050
8		21	Non-deposit of auction money in Government Treasury	0.040
9		22	Withdrawal of funds from bank during suspension period	0.040
10		5	Non-credit of profit to Account-V of District Education Authority	0.180
11	DDEO (EE-W) Shorkot	14	Irregular appointment and payment of pay and allowances	0.154
12		17	Irregular payment of rent	1.585
13		3	Non-recovery of fine imposed by monitoring staff	0.052
14	DDEO (EE-W) Jhang	12	Non-credit of profit to account -V of District Education Authority	0.074
<b>District Education Authority Toba Tek Singh</b>				
1	CEO, DEA, Toba Tek Singh	7	Loss due to procurement at excessive rates	0.205
2		11	Non devising mechanism for utilization for savings of development funds	5.128

Sr. No.	Name of Formation	Para No.	Title of Para	Amount
3		13	Non-registration of private schools involving revenue	0.208
4		15	Non creation of pension fund and investment of surplus funds	7.204
5		18	Irregular payment of salaries due to non-regularization of services	9.931
6	Deputy DEO (EE-M) Toba Tek Singh	5	Loss due to theft of material	0.257
7		7	Non recovery/deduction of funds after regularization	0.318
8		8	Unjustified expenditure with 10% poor performance	-
9		9	Non-verification of General Sales Tax	0.097
10		10	Expenditure through irregular school council	1.760
11		12	Irregular cash payments by School Councils	2.125
12		13	Non-deposit of auction money in treasury	0.048
13	Deputy DEO (EE-W) Toba Tek Singh	8	Non-recovery/deduction of funds after regularization	0.429
14		9	Unjustified expenditure with 11% drop out/poor performance	-
15		10	Non-verification of General Sales Tax	0.162

### District Education Authorities, Multan Region

(Rupees in million)

Sr. No.	Name of Formation	Para No.	Subject	Amount
<b>District Education Authority, Khanewal</b>				
1	CEO DEA Khanewal	1	Irregular late approval of annual budget	10,347.585
2		4	Delay in issuance the registration certificate and non-imposition of penalties on private schools running without registration/renewal	13.375
3		6	Irregular withdrawal of inadmissible allowances recovery thereof	2.063
4		7	Irregular withdrawal of huge amount of arrears without allocation / release of separate budget	189.798
5		8	Doubtful withdrawal of pay without date of joining	23.479
6		9	Irregular expenditure by splitting	2.077
7		10	Irregular deposit of district education authority receipts into provincial government Account-I instead of DEA Account V and non-verification of government receipts	19.356
8		12	Irregular payment of adhoc relief allowance-2016 to teachers and recovery thereof	1.586
9		15	Unauthorized expenditure by school councils beyond permissible limit	129.911
10		16	Difference between bank statement and cash book	14.554

Sr. No.	Name of Formation	Para No.	Subject	Amount
11		17	Irregular posting of school teacher / headmaster and withdrawal of pay and allowances for erratic post	2.438
12		19	Irregular withdrawal of pay and allowances by higher scale officers against the lower scale sanctioned post	1.146
13		20	Irregular withdrawal of NSB funds without pre-audit	349.520
14		21	Non-surrender of anticipated savings	1.344
15		22	Non execution of work despite payment as deposit work	0.879
16		24	Unauthorized payment of integrated allowances to staff and recovery thereof	0.317
17		25	Excess expenditure over and above the budget allocation	0.542
18		26	Irregular payment of charge allowance – recovery thereof	0.319
19		27	Excess payment of personal allowance recovery thereof	0.024
20		28	Recovery from transfer travelling allowance bills	0.015
21		29	Excess charging of rates of POL than the rates given on OGRA web site	0.012
22	Dy. DEO (EE-W) Khanewal	1	Withdrawal of funds from treasury without pre-audit and defective monitoring of NSB funds incurring	75.526
23		6	Irregular withdrawal of pay during the period of leave without pay	0.198
24		7	Unjustified expenditure on construction /repair of school Buildings from NSB	5.354
25		8	Irregular / doubtful expenditure from NSB funds	75.525
26		9	Non-imposition / payment of Punjab Sales Tax on services	0.333
27		10	Non-utilization of NSB funds	22.714
28		11	Irregular withdrawal of huge amount of arrears without allocation / release of separate budget	12.096
29		12	Unjustified withdrawal of pay without date of joining	1.850
30		13	Unjustified Drawl of Inspection Allowance Recovery	0.675
31		14	Recovery of overpayment of pay and allowances	0.486
32		15	Unauthorized payment of pay and Allowances during absent period	0.347
33		16	Recovery of Inadmissible Allowances	0.029
34		18	Irregular Drawl of Pay & Allowances without sanction of Post	2.179
35		19	Loss to Government Due to charging Higher Rate and recovery	3.448
36		20	Uneconomical purchases of Furniture through splitting	9.631
37	21	Laps of Government Fund	29.013	

Sr. No.	Name of Formation	Para No.	Subject	Amount	
38	Dy. District Education Officer (EE-M) Mian	1	Irregular Payment of Adhoc Relief Allowance-2016 to Teachers	0.249	
39		4	Unauthorized Payment of Inadmissible Allowances	0.211	
40		5	Irregular Payment of Personal Allowance to Teachers	0.103	
41		6	Doubtful payment of pay and allowances without date of joining	9.212	
42		7	Non Deduction of Income Tax	0.179	
43		8	Doubtful purchase of consumable items without stock entries	1.149	
44		9	Doubtful expenditure on White washing / Painting / Coloring of School Buildings	0.346	
45		10	Expenditure through irregular School Councils	20.335	
46		11	Suspicious / doubtful expenditure of School Uniform without supporting record	0.221	
47		12	Irregular expenditure by schools council over and above the authorized limit of School Management Council	10.638	
48		13	Poor performance of managements resulted in blockage of fund/ non utilization of funds	8.450	
49		14	Unjustified expenditure on construction / repair and maintenance of school Buildings from NSB	2.104	
50		15	Doubtful payment / non deposit of GST	1.938	
51		16	Non-recovery of Pay and Allowance from Teacher during Earned Leaves	0.179	
52		17	Non recovery / deposit / collection of fines	0.022	
53		Dy. District Education Officer (EE-W) Mian	3	Unjustified withdrawal of pay without date of joining	10.916
54			4	Irregular drawal of amount of arrears of pay & allowances without allocation / release of separate budget	12.319
55	5		Expenditure in excess of budget allocation and non-surrender of savings	313.806	
56	7		Excess payment of pay and allowances after retirement	0.602	
57	8		Non transfer of remaining balances of NSB funds of the upgraded elementary schools as high schools	1.372	
58	9		Irregular/overpayment payment of sales tax on paint, white wash and construction material by school councils	0.324	
59	10		Non-imposition / payment of Punjab Sales Tax and Income Tax on services	0.545	
60	11		Uneconomical expenditure without quotations	2.022	
61	12		Doubtful payment / non- deposit of GST inquiry thereof	2.387	
62	13		Uneconomical purchase of various items without advertisement on PPRA website and print media	14.843	

Sr. No.	Name of Formation	Para No.	Subject	Amount
63		14	Irregular purchases from NSB funds from unregistered suppliers	1.102
64		15	Irregular / doubtful expenditure from NSB funds	21.312
65		16	Unjustified expenditure on construction /repair of school Buildings from NSB	8.036
66		17	Withdrawal of funds from treasury without pre-audit	42.407
67		18	Withdrawal of pay and allowances of security guards in excess of sanctioned posts Rs 23.306 million and unauthorized payment of salary out of NSB funds Rs 0.357 million	0.357
68		19	Non initiation of disciplinary proceedings against the responsible of gross violations / doubtful expenditure of Rs 2.833 million as reported in internal audit/physical verification of NSB funds utilized during 2013-2020 by GMMS 86/15.L	2.833
69	GGHSS Kot Islam, Khanewal	3	Unjustified purchases without specifications	1.088
70		4	Unauthorized expenditure by School Councils beyond permissible limit	1.635
71		6	Non-deduction of income tax at source	0.077
72		7	Irregular expenditure by splitting	1.243
73		8	Unauthorized payment of inadmissible allowance during leaves	0.079
74		10	Doubtful withdrawal of pay without date of joining	0.934
75		11	Unauthorized payment of integrated allowance	0.016
76		12	Non-imposition / payment of Punjab Sales Tax on services	0.013
77		13	Irregular expenditure by misclassification	0.221
78		14	Non-surrender of savings on account of pay, allowances and contingencies	0.452
79		15	Non-refund of loan obtained from FTF	0.061
<b>District Education Authority, Lodhran</b>				
80	CEO DEA Lodhran	1	Irregular late approval of annual budget	4,448.070
81		5	Doubtful clearance of pending liabilities by violating the process of commitment accounting	1.080
82		6	Unauthorized payment of pay and allowances despite superannuation retirement of employees	0.740
83		7	Doubtful withdrawal of pay and allowances without name of employee	0.400
84		9	Unjustified expenditure on training of literacy teachers	0.210
85		10	Unjustified expenditure on electricity charges of other offices	0.740
86		12	Unjustified withdrawal of pay and allowances without performance of duty at the place of posting	1.380

Sr. No.	Name of Formation	Para No.	Subject	Amount	
87		13	Wasteful expenditure on pay and allowances of driver	0.890	
88		15	Unjustified purchases without specifications	0.200	
89		16	Doubtful withdrawal of funds without stock entry and consumption record	0.730	
90		17	Doubtful withdrawal of funds for repair of furniture and machinery without detail of work done	0.170	
91		20	Doubtful withdrawal of pay and allowances without date of joining	17.970	
92		21	Irregular expenditure by splitting	0.620	
93		22	Unauthorized payment of conveyance allowance for employees availing the government vehicles recovery thereof	0.120	
94			Unjustified payment of pay and allowances without performance of duty	1.790	
95		DDEO (W) K Pakka	2	Irregular payment of withheld taxes to suppliers	1.040
96			3	Irregular retention of development funds	6.670
97	4		Irregular relieving of head teachers on inter Tehsil transfer without proper handing over of financial record	0.200	
98	5		Irregular expenditure on account of repair and maintenance of vehicles	0.230	
99	6		Irregular payment of pay and allowances through adjustments	9.390	
100	7		Unjustified withdrawal of pay without date of joining	0.060	
101	8		Recovery of Pay and Allowances due to wrong fixation of pay on higher scale	0.060	
102	10		Irregular withdrawal of inadmissible allowance without entitlement	1.460	
103	12		Irregular withdrawal of pay and allowances against posts not sanctioned in budget estimates	0.060	
104	14		Excess drawl of pay and allowances after retirement	0.550	
105	17	Irregular excess payment of pay and allowances despite leave without pay	1.790		
106	18	Irregular expenditure without pre-audit	33.000		
107	20	Non-utilization of NSB fund	23.080		
108	DDO(W) Lodhran	1	Irregular withdrawal of huge amount of arrears without allocation / release of separate budget	20.030	
109		2	Unauthorized payment of qualification allowance	5.670	
110		5	Unjustified withdrawal of pay & allowances without proper/correct date of joining	114.230	
111		7	Unauthorized payment of integrated allowances to staff and recovery thereof	0.070	
112		8	Irregular purchase of uniform from NSB funds and approval of CEO Education	0.280	

Sr. No.	Name of Formation	Para No.	Subject	Amount
113		12	Non-utilization of NSB fund	37.730
114		13	Unjustified payment of inspection allowance during the period of closed schools recovery thereof	1.020
115		14	Doubtful payment of leave encashment claims without evidence of leave balance & other necessary record	9.360
116		16	Irregular/doubtful with drawl on the accounts of electricity bills	0.160
117		18	Doubtful deposit of receipts on Farough E Taleem Fund FTF	0.670
118		20	Irregular/doubtful expenditure on the accounts of office stationary	0.470
119		21	Non-deduction of pay and allowance from teachers & conveyance allowance during leave with pay	0.910
120		1	Irregular withdrawal of huge amount of arrears without allocation / release of separate budget	20.030
121	GGHS	2	Non-surrender of savings	36.030
122	Jandhirwala	3	Expenditure in excess of budget allocation	30.380
123		4	Doubtful payment of pay and allowances through adjustments	0.260
124		5	Non-verification of deposit of Sales Tax from the purchases of NSB	0.040
125		6	Non-auctioning of Dry Tree and Loss to Government	1.990
126		7	Irregular expenditure without pre-audit	0.814
127		9	Non/Improper maintenance of Service record of employees	-
128		10	Non-maintenance of Reconciled Expenditure Statement	-
129	GGHS Makhdoom Ali	3	Loss to Government due to irregular award of increments and non-adjustment of pay and allowances- Recovery	0.290
130		4	Non-recovery of amount of electricity bills from contractor	0.040
131		5	Irregular purchases of construction material and non-maintenance of proper stock register	0.550
132		6	Unjustified charge of GST and Income Tax on Services by supplier on exempt items	0.060
133		7	Irregular expenditure on civil works beyond the financial power	1.500
134		8	Loss due to non-obtaining of rent of building	-
135		19	Irregular expenditure without pre-audit	3.894
<b>District Education Authority, Multan</b>				
136	CEO DEA Multan	1	Unjustified purchase of furniture without allocation and release of funds for tehsil Jalalpur Pirwala Inquiry Thereof – Rs 2.637 million	2.637

Sr. No.	Name of Formation	Para No.	Subject	Amount
137		2	Excess allocation of budget than demand	116.135
138		3	Loss to Government due to purchase of furniture on excess rates recovery thereof	3.376
139		4	Un-authorized late issuance of Bid Acceptance Letter to Suppliers of ADP Schemes after expiry of tender validity	14.307
140		5	Defective purchase of 3-seater desk benches for elementary schools having specifications of high schools recovery thereof	0.942
141		6	Irregular incurring of tied grant funds against the criteria of funds released inquiry thereof	40.110
142		7	Unjustified payment of furniture without joint report of physical verification committee constituted by the Administrator Inquiry thereof	54.417
143		8	Unjustified late release of funds against approved budget	-
144		9	Irregular/ misuse of tied grants	773.759
145		10	Defective preparation of annual budget due non accounting of local receipts	25.000
146		11	Irregular budgeting of receipt targets without forwarding the estimates to collecting officers	31.881
147		12	Irregular reduction in budget estimate without excess and surrender statement	897.608
148		13	Undue favor given to the bidders and unjustified purchase of low quality furniture Inquiry Thereof	40.110
149		14	Unauthorized allocation of supplementary grant without approval of Cabinet Committee on Finance & Development	413.715
150		15	Non-deduction of liquidity damages and irregular extension of delivery period without imposing penalty recovery thereof	0.237
151		16	Irregular allocation of lump sum budget	300.000
152		17	Irregular withdrawal of Honorarium without sanction of competent authority	0.721
153		18	Doubtful withdrawal of duplicate bills having chances of double drawals verification thereof	1.001
154		19	Irregular payment of charge allowance to heads of special education schools without entitlement and recovery thereof	0.441
155		20	Costly purchase of less efficient printers recovery thereof	0.097
156		22	Costly Purchase of items beyond provisions of PC-I	0.053
157		24	Unauthorized payment of integrated allowances to staff and recovery thereof	0.332
158		25	Unauthorized late draft budget estimates for the period 2019-20	-



Sr. No.	Name of Formation	Para No.	Subject	Amount
159		26	Loss to government due to withdrawal of science teaching allowance without teaching science subjects	0.319
160		28	Un-justified site selection of Schools against the provision of PC-I and payment of honorarium to self-favored NFBE teachers	3.696
161		29	Irregular payment of Leave Encashment bill of provincial employee from Authority account regularization thereof	0.775
162		30	Irregular payment of Inspection Allowance recovery thereof	12.963
163		31	Irregular payment of mobility allowance recovery thereof	0.532
164		32	Less payment of Pension Contribution to Pension Fund Inquiry Thereof	22.515
165		33	Unjustified payment of Pension Contribution to Pension Fund Inquiry Thereof	0.474
166		34	Irregular payment of Leave encashment bills of High Schools from cost center of DO (SE) without his signatures Inquiry thereof	173.246
167		35	Irregular purchase of stationery items by split-up	1.738
168		36	Irregular purchase of Physical Assets	0.690
169		37	Irregular expenditure of Honorarium against invalid sanction	0.389
170		38	Defective registration, non-renewal and non-registration of private schools	2.950
171		39	Doubtful withdrawal of duplicate bills having chances of double drawals verification thereof	102.178
172		40	Unjustified change of title of cost center without approval of FD and allocation of budget inquiry thereof	-
173	Dy. DEO (EE-W) Saddar Multan	2	Doubtful withdrawal of pay without date of joining	1.062
174		4	Unjustified payment of inspection allowance to AEOs without actual inspection of schools	1.701
175		5	Unauthorized payment of integrated allowance	0.069
176		6	Non-surrender of savings on account of pay, allowances and contingencies	100.972
177		8	Expenditure in excess of budget allocation	2.252
178		10	Non-imposition and non-payment of taxes	2.236
179		11	Loss to Government due to overpayment of GST of exempted item	0.644
180		12	Irregular purchases of construction material and non-maintenance of proper stock registers	12.883
181		14	Irregular purchases through splitting	10.625
182		16	Poor performance of management resulted in blockage of fund/ Non utilization of funds	38.905

Sr. No.	Name of Formation	Para No.	Subject	Amount
183		17	Irregular expenditure from NSB funds without pre-audit, approval and monitoring	113.359
184		18	Irregular expenditure on procurement of unapproved items	1.362
185	Dy. DEO (EE-M) Shujabad	3	Loss to Government due to payment of SSB allowance to non-regularization of contract employees	3.261
186		4	Irregular payment of charge allowance. Recovery thereof	0.142
187		5	Doubtful withdrawal of pay without date of joining	1.935
188		8	Loss to Government due to overpayment of GST of exempted items	0.112
189		9	Non-imposition / payment of Punjab Sales Tax on services	0.313
190		10	Mis procurement of Furniture, paint etc.	2.484
191		11	Unjustified expenditure on construction /repair of school Buildings from NSB	3.706
192		12	Non-Collection of Proof of Deposit of Sales Tax	0.496
193		13	Procurement from blacklisted firms	4.349
194		14	Misappropriation of Income Tax through fake returns	0.015
195		15	Irregular purchase of uniform from NSB funds without approval of CEO Education	0.489
196	Dy. DEO (EE-M) City Multan	1	Irregular withdrawal of funds from NBS account	45.088
197		3	Loss to government due to less/ non deduction of PST and Income Tax	0.233
198		4	Irregular payment of Punjab Sales Tax	0.128
199		5	Incurring of excess expenditure from prescribed limit	24.018
200		6	Loss to government due to excess payment	0.270
201		7	Irregular purchases without approval of CEO Education	0.635
202		9	Non-surrender of savings and expenditure in excess of budget allocation	146.015
203		10	Unjustified payment on account of qualification allowance	1.050
204		13	Mis-procurement of Tablet PCs for Rs 392,853 and recovery thereof Rs 142,583	0.142
205		15	Loss to Government due excess payment without deduction Sales Tax	0.265
206		16	Irregular withdrawal of pay and allowances during leave without pay	0.215
207	District Officer Special Education Multan	1	Unjustified Payment of Pay & Allowances without performing duties at their original Place of Posting	1.223
208		3	Non Availability of Lap Top / Misappropriation of Lap Top	0.100

Sr. No.	Name of Formation	Para No.	Subject	Amount
209		6	Irregular expenditure on Purchase of School Buses Without advertisement & without Calling Tenders	35.130
210		7	Irregular expenditure on Purchase of School Buses Without District purchase Committee	35.130
211		8	Irregular expenditure by misclassification	0.126
212		9	Irregular purchases from Unregistered Firms	0.318
213		10	Non- deposit / deduction of GST & Income tax	0.735
214		13	Unjustified High Repeated Expenditure On repair of Photostat Machines	0.123
215		15	Non-reconciliation of cash and bank balance	4.703
<b>Pension Audit, District Education Authority, Multan</b>				
216	Pension Audit, District Education Authority, Multan	1	Irregular payment of pension to the Dy. DEOs instead of disbursement by CEO office	13.260
217		4	Irregular Sanction of Pension Cases of Grade 17 and above employees by CEO Education	15.100
218		5	Willful delay of pension payment cases more than two to three years and non-initiating the disciplinary proceedings against the delaying officers / officials	-
219		6	Non-deduction of Salary paid for the period of after retirement	-
220		8	Irregular adjustment of excess paid pay and allowances in pension fund Account	3.661
221		9	Irregular expenditure on pension payment due to non-availability of no marriage certificates	15.755
222		10	Irregular expenditure on pension payment on unauthorized no marriage certificates	7.515
223		11	Irregular expenditure on pension payment due to non-reconciliation of amended and discontinued pensioners	-
224		12	Fictitious expenditure on pension payments	0.210
<b>District Education Authority, Pakpattan</b>				
225	CEO Education	1	Non-Deduction / Non-payment of Sales tax On the Purchase of printers / UPS etc.	0.100
226		2	Misappropriation of tender fee / bid document fee recovery thereof	0.030
227		3	Unjustified Excess Payment due to wrong total of items mentioned on the Paid sale invoice of contractors	0.030
228		5	Non-production of deposit proof of GST by Suppliers	0.800
229		6	Non-payment of Income Instead doubtful import documents	0.060
230		7	Non-forfeiture of performance guarantee instead of non-supply of furniture	0.960
231		8	Unjustified purchase of Infrared white Board other than the specification of 2019-20	1.400

Sr. No.	Name of Formation	Para No.	Subject	Amount
232		12	Irregular payment on account of purchase of furniture.	1.480
233		14	Irregular Expenditure on Repair of machinery & equipment	0.150
234		16	Unjustified late approval draft budget estimates.	4,417.630
235		17	Unauthorized allocation of supplementary grant without approval of Cabinet Committee on Finance & Development	206.819
236		18	Unauthorized issuance of supplementary grants without Written approval and release orders	206.820
237		19	Defective preparation of annual budget due to fake budgeting Without Budget call letters from the Field offices	4,417.630
238		20	Unjustified Irregular estimation and approval of Budget Including the closing balance of Bank in the total expenditure and approved by the Authorities as expenditure 2019-20	124.260
239		21	Non-maintain the ledger and separate cost center for tied grant	297.440
240		22	Defective preparation of annual budget due to fake budgeting of local receipts	8.770
241		23	Irregular payment of charge allowance to heads of special education schools without entitlement	0.030
242		24	Irregular Payment of Inadmissible Allowances	0.310
243		25	Irregular payment of Conveyance allowance	4.980
244		26	Non-Maintenance of Cash book / non-Availability /entry of Development passed bills drawn in Cash Book	224.280
245	Dy. DEO (EE-W) Arifwala	1	Unauthorized Regularization of Inzamam Ahmad Junior Clerk & Muhammad Sarwar recruited under 17-A from the initial date of recruitment / Joining & drawn of arrear of Pay & allowance	0.070
246		3	Irregular withdrawal of Personal allowance	-
247		4	Unauthorized regularization of class-IV employees recruited under 17-A	-
248		5	Unjustified Drawl of Inadmissible Charge Allowance by the AEOs	0.030
249		6	Excess Payment of Charge Allowance to the Irrelevant Teachers	0.180
250		7	Irregular drawl of inadmissible allowances	0.130
251		9	Unjustified Payment of Pay & Allowances to Teachers without performing duties at their original Place of Posting	1.840
252		10	Irregular drawl of Pay & Allowances & conveyance allowance during absent and leave period By the official staff of Dy. DEO Office	0.250

Sr. No.	Name of Formation	Para No.	Subject	Amount
253		11	Non-Stoppage of Pay & Allowance and excess payment Pay& Allowances during EOL Period &drawal of Pay & allowance during absent period	0.250
254		12	Unauthorized payment of conveyance allowance during LPR periods & Payment of Pay & allowances after retirement	0.050
255		14	Irregular forwarding of Maternity Leaves & excess Leaves recommendation after the Expected date of Delivery	0.470
256		15	Unjustified Drawl of Qualification Allowance Of M.PHIL Against the Policy of Government	0.160
257		17	Irregular Drawl of Salary Without Verification of educational Documents	8.450
258		19	Payment of pay and allowances without fixation	3.660
259		20	Irregular drawl of arrear of Adhoc allowance-2016 after up-gradation of PST post	0.190
260		21	Irregular Booking of Adj 30% SSB allowance to the Adj. Qualification Allowance	0.060
261		22	Irregular expenditure from NSB fund by Different school	0.990
262		23	Irregular expenditure on approval of defective SMC	5.523
263		24	Unauthorized expenditure by School Councils beyond permissible limit	1.430
264		25	Unjustified expenditure on civil works	1.797
265		26	Non-payment of GST & Income tax by Suppliers	0.400
266	Dy. DEO (EE-W) Pakpattan	1	Non-utilization of budget and non-surrender of savings	11.734
267		2	Irregular expenditure from NSB Funds without pre-audit	72.327
268		4	Unauthorized payment of inspection allowance	1.024
269		6	Unauthorized payment of salaries of higher scale despite cancelation of promotion	2.599
270		7	Non-maintenance of proper record entry durable and consumable goods and non-maintenance of consumption record of consumable items	5.850
271		8	Unjustified purchase of furniture without requirement	0.340
272		10	Non-utilization of funds by School Management Councils	3.267
273		11	Sub-standard purchase by school management council	3.151
274		12	Irregular payment to suppliers in cash	1.089
275		13	Below Specification work of tuff tile executed in violation of school council policy	0.280
276		14	Irregular purchase of various items from unregistered persons and non-payment of taxes inquiry thereof	8.750

Sr. No.	Name of Formation	Para No.	Subject	Amount
277		15	Doubtful payment of leave encashment claims without evidence of leave balance	8.280
278		16	Unjustified expenditure without payment of taxes from NSB funds	0.050
279		17	Non-imposition / payment of Punjab Sales Tax on services	0.280
280		18	Non-payment of GST on purchase of sand recovery thereof	0.080
281		19	Unauthorized payment of integrated allowances to staff and recovery thereof	0.030
282		20	Irregular purchase of uniform from NSB funds without approval of CEO Education	0.170
283		21	Non-production of deposit proof of GST by Suppliers inquiry thereof	0.540
284		22	Non-deduction/payment of withholding income tax on services Recovery thereof	0.170
285		23	Unauthorized expenditure by School Councils beyond permissible limit	5.785
286	Govt. GHS Chak Baidi	1	Irregular Payment of Personal Allowance to Teachers	0.100
287		2	Irregular Filling of Posts of Elementary School Teacher (Physical Education) Through Promotion Contrary To Service Rules	-
288		3	Non-recovery of Pay and Allowance from Teacher during Earned Leaves	0.140
289		4	Misappropriation of Fund due to Non-return of Loan paid from FTF	0.090
290		5	Irregular Payment Adhoc Relief Allowance-2010 50%	0.040
291		6	Unauthorized withdrawal of conveyance allowance	0.060
292		7	Irregular payment of social security benefit despite regularization	0.060
293		8	Irregular Payment of Qualification Allowance	0.050
294		9	Double Drawl of EVO Net charges	0.030
295		10	Expenditure through irregular School Councils	0.860
296		11	Non-utilization of budget and non-surrender of savings	17.926
297		12	Doubtful purchase of consumable items from N.S.B without stock entries for	0.860
298		13	Non-utilization of funds by School Management Councils	2.304
299		14	Doubtful payment / non-deposit of GST	0.190
300		15	Non-auction of dry trees valuing	0.350
301	Govt. HSS Malka Hans	1	Recovery due to payment of unauthorized conveyance allowance to teachers during winter and Covid-19 vacations	0.550

Sr. No.	Name of Formation	Para No.	Subject	Amount	
302		3	Non-verification of deposit of GST	0.580	
303		4	Unauthorized payment to DDO instead of actual payee	4.370	
304		5	Non-Verification of Receipt Challans	0.710	
305		6	Doubtful expenditure of Uniform out of NSB	0.180	
306		7	Non-refund of loans granted from FTF	0.120	
307		8	Non-recovery of Social Security Benefits despite regularization of employees	0.330	
308		9	Double payment of Income Tax, GST and Service Tax	0.080	
309		10	Non-recovery of Conveyance allowances during earned leaves	0.060	
<b>District Education Authority, Sahiwal</b>					
310		Chief Executive Officer (DEA) Sahiwal	1	Irregular late approval of original budget	9,046.597
311	2		Unauthorized allocation of supplementary grant without approval of Cabinet Committee on Finance & Development	8.976	
312	3		Irregular re-appropriation of funds against NIL budget allocation	347.998	
313	4		Non-reconciliation of Budget Figures between DEA record and SAP R/3 record	651.735	
314	7		Doubtful withdrawal of pay without date of joining	34.714	
315	8		Irregular payment of arrears without release of additional budget	38.870	
316	10		Unjustified payment for window 10 home edition licensed involving cost	0.088	
317	12		Non-recovery of liquidated damages	0.162	
318	13		Irregular expenditure on the purchase of equipment for IT Lab	19.952	
319	14		Unjustified purchase of computer in the absence of teaching staff	12.620	
320	15		Un-reconciled difference between bank balance and cash book	0.738	
321	16		Non recovery of Inspection fee from the private schools	0.064	
322	20		Unjustified expenditure on account of photocopies	0.136	
323	21		Non maintain the ledger for tied grant	282.960	
324	22		Irregular purchase of library books and less discount obtained	0.068	
325	23		Doubtful expenditure without stock entries and consumption record	0.865	
326	25		Late Issuance the Registration Certificate of private school	-	
327	28		Irregular drawl of pay & allowances without sanction post	1.182	

Sr. No.	Name of Formation	Para No.	Subject	Amount	
328	Principal GGHSS 45/12L Chichawatni	1	Irregular purchase of banned physical assets	1.536	
329		2	Loss to government due to excess payment	0.090	
330		3	withdrawal of funds without posting of Principal / assigning additional charge of Principal	7.300	
331		4	Uneconomical purchase of Rifle on excess rate	0.143	
332		6	Incurring of excess expenditure from prescribed limit	3.552	
333		8	Irregular payment of leave encashment by fake signature of Ex-Principal	0.451	
334		9	Loss to Government due to non-realization of revenue from sale of irrigation water of locked school land recovery thereof	0.576	
335		11	Irregular purchases without approval of CEO Education	0.761	
336		12	Non-accountal into stock and non-maintenance of consumption record of stationery items	0.225	
337		13	Non-refund of loans granted form FTF for payment of electricity bills	0.096	
338		17	Irregular withdrawal of funds from NBS account	1.741	
339		19	Expenditure in excess of budget allocation and non-surrender of savings	92.102	
340		Dy. District Education Officer (EE-W) Sahiwal	5	Doubtful withdrawal of pay without date of joining	0.394
341			6	Doubtful payment of salary with doubtful ID card numbers	6.714
342	7		Non-verification of Challans	3.370	
343	8		Non recovery / deposit / collection of fines	0.025	
344	12		Unjustified expenditure on construction /repair of school Buildings from NSB	1.981	
345	14		Irregular withdrawal of huge amount of arrears without allocation / release of separate budget	1.392	
346	Dy. DEO (EE- M) Sahiwal	8	Irregular expenditure on civil work	4.062	
347		11	Poor performance of managements resulted in blockage of fund/ Non utilization of funds	1.387	
348		12	Irregular expenditure from NSB funds without pre-audit and monitoring	13.017	
349		13	Unjustified withdrawal of pay without date of joining	5.267	
350		14	Excess payment of pay and allowances after superannuation retirement	0.728	
351		15	Irregular withdrawal of huge amount of arrears without allocation / release of separate budget	1.164	
352	Government Crescent Girls High School, Chichawatani	1	Uneconomical purchase of Rifle on excess rate	0.143	
353		3	Irregular draw of amounts of arrears of pay & allowances without allocation / release of separate budget	1.039	
354		4	Irregular drawl of amount out of SMC account	0.270	



Sr. No.	Name of Formation	Para No.	Subject	Amount
355		5	Expenditure in excess of budget allocation and non-surrender of savings	16.921
356		6	Irregular/overpayment payment of sales tax on paint, white wash and construction material by school councils	0.133
357		8	Irregular / doubtful expenditure without quotations from NSB funds	1.141
358		11	Non-refund of loans granted form FTF	0.241
359		12	Unjustified withdrawal of pay without date of joining	0.778
360		14	Withdrawal of funds from treasury without pre-audit	2.853
<b>District Education Authority, Vehari</b>				
361	CEO (DEA) Vehari	1	Defective preparation of annual budget due to non-accounting of local receipts	10.000
362		2	Irregular use of tied grants	184.596
363		3	Unauthorized late draft budget estimates-	9,180.879
364		4	Irregular allocation of lump sum budget	129.577
365		5	Irregular preparation of budget estimate due to deficit budgeting	1,152.560
366		6	Unauthorized allocation of supplementary grants without approval of Cabinet Committee on Finance & Development	571.997
367		8	Irregular payment of conveyance allowance (during COVID vacations i.e. 13.03.2020 to 31.03.2020)	11.628
368		14	Non-surrender of savings Rs-109.700 million and expenditure in excess of budget allocation	0.949
369		16	Non-imposition of penalties on private schools running without registration	12.798
370		19	Unauthorized withdrawal of mobility allowance	0.506
371		20	Loss to government due to non-recovery of one month salary due to termination / resignation	0.511
372		22	Unauthorized payment of conveyance allowance – Rs75,000 (DO literacy was allotted government vehicle)	0.075
373		23	Improper maintenance of cash book	21.128
374	Deputy DEO (EE-M) Burewala	1	Loss to Government due to payment of conveyance allowance during vacations	3.112
375		4	Doubtful withdrawal of pay without date of joining	2.888
376		5	Irregular withdrawal of huge amount of arrears without allocation / release of separate budget	5.319
377		7	Unauthorized withdrawal of inspection allowance	1.700
378		11	Irregular purchases of furniture	12.440
379		12	Irregular expenditure from NSB funds without pre-Audit and monitoring- Rs 104.892 million	104.892
380		13	Irregular withdrawal of conveyance allowance during vacations / leaves	38.946

Sr. No.	Name of Formation	Para No.	Subject	Amount	
381		14	Poor performance of managements resulted in blockage of fund / non utilization of funds	43.895	
382		15	Unjustified expenditure on construction / repair and maintenance of school buildings from NSB fund	22.520	
383		16	Excess payment of Sales Tax	0.471	
384		17	Irregular payment by head of schools on account of miscellaneous services acquired and non-payment of PST	0.086	
385		18	Non / less deduction of Income Tax	0.110	
386		19	Mis-procurement of Tablet PCs	0.550	
387		20	Non-verification of deposit of Sales Tax on purchases	4.900	
388		Deputy DEO (EE-W) Mailsi	1	Difference of utilized funds on development work due to defective maintenance of record	5.176
389			2	Irregular payment of pay and allowances through adjustments	11.482
390			3	Unjustified withdrawal of pay without date of joining	3.559
391	4		Unjustified withdrawal of pay due to wrong date of joining	1.127	
392	5		Unauthorized withdrawal of inspection allowance	2.400	
393	6		Unauthorized withdrawal of conveyance allowance during vacations	0.123	
394	7		Non-refund of NSB funds from School Council Accounts of Schools transferred to PEF	0.516	
395	9		Non-availability of verified reconciled expenditure statement	1,029.680	
396	10		Difference of expenditure figures and SAP FI data -	86.067	
397	11		Un-authorized payment of conveyance allowance to teachers during leave period	1.471	
398	12		Irregular payment of conveyance allowance	1.372	
399	15		Unauthorized payment of rent of school / office buildings	1.268	
400	16		Withdrawal of funds from treasury without pre-audit	54.197	
401	17		Irregular expenditure from NSB funds	54.197	
402	18		Irregular expenditure on construction /repair of school buildings from NSB	5.234	
403	19		Non-utilization of NSB funds	28.339	
404	20		Irregular retention of Development funds	17.223	
405	21		Misclassification of expenditure	0.058	
406	AIR GGMC HS Burewala		2	Irregular purchase of banned physical assets-	1.268
407			4	Loss to government due to less/ non-deduction of PST and Income Tax	0.177
408			5	Irregular payment of Punjab Sales Tax	0.063
409		6	Incurring of excess expenditure from prescribed limit	8.337	
410		7	Loss to government due to excess payment	0.169	

Sr. No.	Name of Formation	Para No.	Subject	Amount
411		8	Irregular purchases through splitting	0.848
412		9	Irregular purchases without approval of CEO Education	0.524
413		10	Non-realization of revenue	0.500
414		11	Irregular payment of conveyance allowance	0.984
415		12	Non-surrender of savings and expenditure in excess of budget allocation	2.416
416		13	Blockage of government funds	0.212
417		14	Improper maintenance of cash book	1.993
418	Govt. Model High School Mailsi, Vehari	1	Withdrawal of funds from treasury without pre-audit and defective monitoring of NSB funds incurring	2.225
419		2	Unauthorized excess expenditure over budget allocation	55.400
420		3	Irregular/Doubtful maintenance of expenditure statement	261.695
421		4	Difference in cash book and bank statements of NSB	5.997
422		5	Non-auction of canteen with auction value	2.000
423		7	Poor performance due to non-utilization of NSB funds	3.876
424		8	Doubtful withdrawal of cash and transfer of amounts without maintaining cheques register & copies	14.343
425		9	Irregular purchase from unregistered persons	3.318
426		10	Irregular expenditure on the accounts of NSB by splitting	5.944
427		11	Excess payment of conveyance allowance during winter vacations	6.000
428		12	Irregular/Doubtful maintenance of receipts statements	-
429		14	Non-auction of old & dry trees with auction value	2.000
430		16	Unjustified withdrawal of pay & allowances without proper/correct date of joining	258.229
431		17	Irregular withdrawal of huge amount of arrears without allocation / release of separate budget & necessary documents with working	5.200
432		19	Improper maintenance of record of Pay	258.229
433		20	Un-authorized continuation of services of staff without extension in contract period and withdrawal of cash	0.422
434		21	Non-auction of old furniture with salvage value	2.000
435		22	Doubtful / Irregular with drawl on the accounts of Cost of Others	5.010
436		25	Doubtful/Irregular expenditure on the account of Leave encashment & Non-Maintenance and Non-production of record	-

Sr. No.	Name of Formation	Para No.	Subject	Amount
437		26	Non-surrendered of savings and lapsed of non-development budget	261.695
438		27	Irregular expenditure on the accounts of POL for Generator	4.794
439		29	Irregular payment of conveyance allowance during corona vacations	0.413
440		30	Irregular/doubtful with drawl on the accounts of electricity bills	-
441		31	Irregular/doubtful with drawl on the accounts of repair of office building from NSB	4.794
442		32	Misappropriation/doubtful with drawl on the accounts of NSB purchase & repair of furniture, construction & development material, non-maintenance of proper stocks register and history sheets with numbering of moveable & immoveable assets etc. of Rs 9.020 million and inquiry & recovery thereof Rs 6.314 million	9.020
443		33	Irregular/doubtful expenditure with drawl on the accounts of repair of machinery & Equipment	4.794
444		35	Doubtful Maintenance of Ownership record of Land & Buildings of School	-
445		36	Overpayment non-stoppage of increment due to poor result	-
446		37	Doubtful expenditures & Non-Return of loan on the accounts of Farough-E-Taleem Fund	7.687
447		39	Excess payment of conveyance allowance during summer vacations	8.000
448		41	Doubtful/Irregular expenditure on the account of financial assistance & Non-Maintenance and Non-production of record	-
449		43	Excess payment of conveyance allowance during earned leave	2.000

**Annexure-A**

**Part-II**

**Memorandum for Departmental Accounts Committee Paras Pertaining  
to the Audit Year 2019-20**

**District Education Authorities, Bahawalpur Region**

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
<b>District Education Authority, Bahawalnagar</b>				
1	Dy. DEO (EE-M) 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 Moharwali	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	-

Sr. No.	DDOs	Para No.	Subject	Amount
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
26		14	Fake expenditure of repair of vehicle	0.3
27	Dy. DEO (EE-W) Fort Abbas	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		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	Govt. Girls High School Toba Balochan	2	Overpayment of salaries to employees after retirement	0.71
36		5	Non deduction of PST on repair and services expenditure and payment of taxes to suppliers	0.1
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 (EE-W) Haroon Abad	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

Sr. No.	DDOs	Para No.	Subject	Amount	
47	CEO (DEA) Bahawalnagar	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		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	
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 (EE-M) Fort Abbas	15	Doubtful expenditure on repair without maintenance of history sheet registers	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	0.0314	
68	24		Non-compliance of observations issued in previous year Audit	0	
	<b>District Education Authority, Bahawalpur</b>				
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		1	Fraudulent drawl of POL	0.086	

Sr. No.	DDOs	Para No.	Subject	Amount
8	Dy. District Education Officer (EE-M), Ahmed Pur East (Primary School)	2	Loss to Govt. due to Unjustified Payment of Irrelevant Allowances	0.593
9		3	Loss due to excess drawl of POL	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 outside the tehsil	0.068
13		13	Loss to government due to unjustified drawl of social security benefit after regularization	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	0.024
16		17	Unjustified expenditure on hot & coal	0.035
17		22	Unauthorized payment in Cash by schools	0.352
18		25	Non-compliance of observations issued in previous year Audit	-
19	Dy. District Education Officer (EE-W), Hasilpur (Primary School)	4	Doubtful expenditure on POL without entries in logbook	0.662
20		5	Loss due to drawl of POL without travelling	0.201
21		6	Unauthorized payment of conveyance allowance during LPR periods	0.115
22		7	Loss due to unjustified payment of integrated allowance to irrelevant employees	0.111
23		8	Unauthorized payment of SSB allowance	0.057
24		15	Unauthorized grant of annual increment without completion of six months service recovery thereof	0.022
25		17	Non deduction of PST on repair expenditure	0.556
26		20	Doubtful/Unjustified expenditure without any demands	0.111
27		21	Unjustified payment of Charge Allowance	0.084
28		25	Non-collection of proof of Sales Tax from firms	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	0.312
33		8	Irregular expenditure due to non-compliance of PPRA Rules	0.612
34		11	Unjustified payment of Charge Allowance	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	-



Sr. No.	DDOs	Para No.	Subject	Amount	
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	0.192	
39		5	Loss to government due to unjustified drawl of social security benefit after regularization	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	0.331	
42		10	Overpayment of House Rent Allowance @ 45 % than entitlement	0.418	
43		12	Loss to government due to purchase of POL at higher rates than rate fixed by OGRA and other issues	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	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	0.1	
49		21	Loss to government due to non deduction of GST	0.074	
50		22	Unjustified drawl of NSB by the school	0.551	
51		23	Unjustified expenditure on repair of schools	0.518	
52		Govt. Higher Secondary School LalSohanra	2	Irregular payments of pending liabilities	0.636
53			3	Loss to Govt. Treasury due to Payment of Conveyance during Summer / Winter Vacations	0.384
54			4	Unauthorized Payment of Charge Allowance to the teachers	0.016
55	5		Un-justified payment of personal allowance	0.124	
56	6		Irregular Expenditure on Repair & Maintenance of School Building	0.263	
57	7		Payment of pay and allowances to teachers after their transfer	0.364	
58	8		Loss to government due to unjustified drawl of pay and allowances after regularization	0.127	
59	9		Loss due to un-justified drawl of conveyance allowances during leave period	0.057	
60	12		Irregular / Unjustified payment of TA/DA	0.088	
61	13		Unjustified expenditure of different head of accounts – Rs 396,990 and recovery of higher payment Rs 21,430	0.396	

Sr. No.	DDOs	Para No.	Subject	Amount
62		14	Irregular awards of advance increments to elementary school teachers on account of B. Ed recovery	0.124
63		15	Unjustified expenditure of different head of accounts	0.292
64		16	Irregular expenditure without sanctions by DDO	0.235
65		17	Non-compliance of observations issued in previous year Audit	-
66		19	Non refunded FTF	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	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	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	0.592
75		16	Irregular expenditure without sanctions by DDO	0.304
76		22	Non-collection of proof of Sales Tax from Firms	0.047
<b>District Education Authority, Rahim Yar Khan</b>				
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.	-

Sr. No.	DDOs	Para No.	Subject	Amount
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
32		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		Dy. DEO (EE-W) KPR	3	Unauthorized retention of Public Money into Account of DDO
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 TajGarh	4	Excess drawl of pay and allowances after regularization	0.290
41		7	Un-justified / doubtful expenditure on labour	0.239
42		9	Irregular expenditure on purchase of different items	0.462

Sr. No.	DDOs	Para No.	Subject	Amount
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 Colony KPR	10	Improper Maintenance of Cash book	0.756
69		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

## District Education Authorities, DG Khan Region

(Rupees in million)

Sr. No.	DDOs	Para No.	Subject	Amount
<b>District Education Authority D.G Khan</b>				
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
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

Sr. No.	DDOs	Para No.	Subject	Amount
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		2	Recovery of overpayment due to non fixation of basic pay	0.196
36	Dy. DEO (EE-M) Taunsa	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		3	Over payment due to non-fixation of pay after regularization of Class-IV	0.074
39	Dy. DEO (EE-W) Kot Chutta	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
<b>District Education Authority Muzaffargarh</b>				
46		2	Misappropriation due allowing of excessive pacca brick work	0.491
47		4	Loss to the Govt. due to non recovery of registration fee from un-registered schools	0.221
48	CEO (DEA)	5	Loss to Govt. due to non recovery of annual inspection fee from private registered schools	0.075
49		8	Unjustified drawl of hotel charges , recovery of GST	0.028
50		16	Non recovery of professional tax	0.150
51		18	Overpayment on account of use of local sand	0.182
52	Dy. DEO (EE-M) Jatoi	16	Less deduction of Group Insurance from employee's salaries	0.043
53		24	Doubtful expenditure on repair of vehicles	0.102
54	Dy. DEO (EE-W) Alipur	13	Less deduction of Group Insurance from employee's salaries	0.043

Sr. No.	DDOs	Para No.	Subject	Amount
55		19	Unjustified expenditure on repair of vehicles	0.145
56		20	Misclassification of expenditure	0.033
57	Dy. DEO (EE-M) Alipur	17	Less deduction of Group Insurance from employee's salaries	0.042
58		18	Unauthorized and unjustified sse/ misuse of NSB fund	0.067
59		22	Misappropriation/doubtful drawl on account of uniform	0.277
60	Dy. DEO (EE-W) Kot Addu	1	Double drawl of pay and allowances by opening two personal numbers/ double hiring of a single employee	0.027
61		19	Less deduction of Group Insurance from employee's salaries	0.161
62		23	Doubtful drawl on account of uniform	0.259
63		26	Recovery of pay and allowances during willful absent from duty of AEOs	0.048
64	Dy. DEO (EE-M) Kot Addu	7	Unauthorized drawl of salaries without posting	0.681
65		18	Irregular expenditure by School Councils	0.241
66		24	Unjustified payment of salaries without verification of degrees/academic record	0.923
67		25	Less deduction of Group Insurance from employee's salaries	0.117
68	Dy. DEO (EE-W) M.Garh	27	Unjustified payment of salaries without sanctioned posts	0.953
69	Dy. DEO (EE-M) M.Garh	2	Unauthentic payment of pay and allowance	0.278
70		8	Recovery of unjustified payment of adhoc allowance-2010,11 & 2014	0.043
71		14	Unjustified payment of SSB and personal allowance to the same employee	0.135
72		21	Unjustified drawl of TA/DA	0.161
73		28	Irregular expenditure out of block allocation	0.411
<b>District Education Authority Layyah</b>				
74	CEO (DEA)	2	Recovery of irregular payment of conveyance allowance during leave	0.003
75		3	Loss to Government due to non deduction/deposit of Income Tax	0.013
76		19	Over drawl on account of pay and allowances	0.144
77		20	Unjustified payment of PVC cables	0.124
78		22	Loss due to non-deduction of income tax from old material	0.084
79		25	Overpayment due to un-justified allowing of 20% contractor profit	0.287
80		26	Unjustified payment of price variation	0.361
81	Dy.DEO (EE-M) Choubara	3	Unjustified payment of qualification allowance to contract employees	0.147

Sr. No.	DDOs	Para No.	Subject	Amount
82		4	Loss due to unauthorized withdrawal of inspection allowance	0.300
83		5	Unauthorized withdrawal of arrears	0.280
84		11	Less deduction of Group Insurance from employees salaries	0.041
85		12	Unjustified payment of TA / DA	0.068
86		20	Mis-appropriation of POL	0.16
87		21	Misclassification of expenditure	0.063
88	Dy.DEO (EE-W) Choubara	3	Recovery of unauthorized payment of SSB after regularization	0.149
89		5	Recovery of overpayment due to unauthorized allowing annual increment	0.111
90		7	Overpayment due to unauthorized allowing annual increment	0.105
91		9	Non recovery of G.P fund upon regularization of services	0.200
92		10	Overpayment due to allowing unauthorized annual increment without completion of six months services	0.123
93		12	payment of salary during leave without pay	0.151
94		21	Overpayment due to payment of higher rates of POL than notified by OGRA	0.009
95		22	Unjustified expenditure on repair of vehicle	0.075
96		24	Unjustified expenditure on TA/DA	0.202
97		Dy.DEO (EE-W) Layyah	4	Overpayment due to unauthorized allowing increments
98	5		overpayment due to payment of 30% SSB after regularization of services	0.520
99	8		payment of salary during the period of leave without pay	0.107
100	9		Irregular expenditure by School Councils	0.283
101	10		Non recovery of penalty/fine imposed during absent period	0.208
102	17		Less deduction of group insurance from employees salaries	0.173
103	18		Misappropriation on account of uniform to students/ stores	0.068
104	20		Irregular expenditure on repair of vehicle	0.105
105	21		Doubtful payment on account of purchase of POL	0.282
106	25		Doubtful purchase and issuance of store items	0.162
107	27		Un-justified expenditure on air conditioner	0.035
108	38		Misappropriation of NSB	0.063
109	Dy.DEO (EE-M) Layyah	3	Unjustified payment of qualification allowance to contract employees	0.191



Sr. No.	DDOs	Para No.	Subject	Amount
110		4	Loss due to unauthorized withdrawal of inspection allowance	0.300
111		7	Unjustified and unauthorized payment of two increments to AEOs	0.924
112		14	Recovery of overpayment of higher scale	0.021
113		18	Misappropriation of NSB funds	0.665
114		22	Mis-appropriation of POL	0.129
115		2	Overpayment due to non-adjustment of 30%SSB after regularization of services	
116		6	Overpayment of on account of qualification allowance	0.016
117		7	Unauthorized payment of integrated allowance to the employees	0.027
118	Dy.DEO (EE-W) Karor	13	Less deduction of group insurance from employees salaries	0.111
119		22	Unauthentic expenditure on purchase of children uniforms	0.181
120		25	Un-authentic expenditure on payment of salaries to contingent paid staff	0.942
121		26	Overpayment of salary during period of leave without pay	0.073
<b>District Education Authority Rajanpur</b>				
122		2	Doubtful payment on account of POL	0.370
123		3	Unjustified drawl of hotel charges , recovery of GST	0.056
124		5	Unjustified expenditure on account of photocopies	0.350
125	CEO (DEA)	10	Non availability of proof of sales tax returns	0.170
126		11	Non deduction of Provincial Sales Tax on services	0.054
127		12	Doubtful purchase of stores due to non accountal	0.728
128		13	Misclassification of expenditure	0.050
129		3	Non refund of one month salary after termination of contract recovery	0.090
130	Dy.DEO (EE-W) Roojhan	4	Withdrawl of salaries against bogus appointment	0.170
131		7	Payment of salaries after cancelation/withdrawal of appointment order	0.370
132		15	Payment of salaries after transfer	0.172
133		9	Overpayment of salaries due to drawal after medically invalid	0.183
134		12	Overpayment on account of pay during leave on half pay	0.029
135	Dy.DEO (EE-M) Jampur	15	Doubtful expenditure due non accountal of store	0.275
136		17	Non deposit of GST into Government treasury	0.102
137		18	Irregular award of BS-14 without prescribed qualification and selection grade and drawal of pay & allowances	0.994

Sr. No.	DDOs	Para No.	Subject	Amount
138	Dy.DEO (EE-M) Rajanpur	10	Irregular expenditure out of block allocation	0.444
139	Dy.DEO (EE-M) Roohjan	19	Less deduction of group insurance from employees salaries	0.040
140		24	Doubtful expenditure on payment of salaries to temporary teachers and staff out of NSB grant	0.259
141	Dy.DEO (EE-W) Jampur	9	Overpayment due to grant of annual increment without completing six month service and recovery	0.461
142		10	Overpayment of due to irregular award of Bs-9	0.098
143		23	Withdrawal of pay and allowances by the teacher for absent period	0.029
144		24	Unauthorized award of 2 advance increment on acquiring same qualification	0.126
145		25	Overpayment due to un-authorized award pre mature increment	0.107
146		27	Less deduction of group insurance from employees salaries	0.079
147		38	Irregular expenditure on repair of vehicle	0.091
148		39	Misclassification of expenditure	0.067
149		40	Loss of Govt. due to misappropriation of POL	0.024
150		41	Doubtful expenditure on payment of salaries to temporary teachers and staff out of NSB grant	0.192
151		42	Doubtful purchase and issuance of store items	0.185
152		44	Un-justified expenditure on air conditioner	0.035
153		45	Un-authorized expenditure on TA/DA	0.239
154		46	Doubtful payment on account of purchase of POL	0.080
155	47	Un-authorized release of funds on account of SMC grant to shelter less schools	0.482	
156	Dy.DEO (EE-W) Rajanpur	19	Less deduction of group insurance from employees salaries	0.076
157		20	Doubtful expenditure on payment of salaries to temporary teachers and staff out of NSB grant	0.488

### District Education Authorities, Faisalabad Region

(Rupees in million)

Sr. No.	Name of Formation	Para No.	Title of Para	Amount of Audit Observation
<b>District Education Authority Chiniot</b>				
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

Sr. No.	Name of Formation	Para No.	Title of Para	Amount of Audit Observation
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
<b>District Education Authority Faisalabad</b>				
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	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
		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		
<b>District Education Authority Jhang</b>				
11	GHSS Hassu Balail	6	Unjustified withdrawal of inadmissible allowances	0.077

Sr. No.	Name of Formation	Para No.	Title of Para	Amount of Audit Observation
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	-
<b>District Education Authority Toba Tek Singh</b>				
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 / immovable property / assets register on prescribed format	-
20	Deputy DEO (Male) Toba Tek Singh	2	Unauthorized withdrawal of Conveyance Allowance during winter vacation	0.708
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	0.286
		21	Excess payment of pay and allowances due to unauthorized creation of anomalies (Certification Audit)	-

## District Education Authorities, Multan Region

(Rupees in million)

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
<b>District Education Authority, Khanewal</b>				
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
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

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
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) Mian Channu	2	Doubtful withdrawal of pay without date of joining
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 Education Officer (EE-W) Kabirwala	2	Irregular clearance of pending liabilities without allocation of funds	0.089
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

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount	
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 draws 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 without additional budget	0.867	
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	-	

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
<b>District Education Authority, Lodhran</b>				
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 residing within the premises of office	0.06
10			18	Irregular payment of inadmissible allowance
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



Sr. No.	Name of Formation	AIR Para No.	Subject	Amount	
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	
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		Dy. DEO (EE_M) KP	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 <sup>nd</sup> Half of 2018	0.396	
43	11		Unjustified Drawl of Conveyance Allowance Winter Leaves	0.679	
44	12		Irregular Payment of Adhoc Relief Allowance-2016 to teaching staff , recovery	0.11	
45	13		Unjustified Drawl of Conveyance Allowance During Leave Period	0.026	

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
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
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	Dy. DEO (EE_M) Dunyapur	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		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		GHS Haveli Naseer khan	1	Misappropriation of Trees
69	2		Doubtful Expenditure from FTF Account	0.0105
70	3		Non-finalization of Inquiry of Misappropriation of Trees	0.169

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount	
71		4	Irregular purchases from non-registered suppliers and non-deduction / deposit of taxes	0.213	
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 <sup>th</sup> 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-impacting 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	0
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	
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	

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount	
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	
<b>District Education Authority, Multan</b>					
1	CEO DEA Multan	3	Unauthorized allocation in annual as well as revised budget without having the detail of expenditures	250	
2		4	Unauthorized allocation of fund for GPF/BF/WF and Pension out of development budget	250	
3		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	
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 Multan	21	Unauthorized advance withdrawal of funds from NSB funds without sanction of competent authority	0.100
11		22	Loss to government due to excess payment	0.093	
12		Dy DEO (EE-W) Jalalpur Pirwala	3	Doubtful withdrawal of pay and allowances without date of joining	1.133
13		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	

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
18	Dy DEO (EE-W) Shujabad	19	Unauthorized issuance of loans from NSB Funds to other school	0.100
19		20	Irregular repair of transport	0.100
20		17	Unauthorized drawl of NSB funds	0.148
<b>District Education Authority, Pakpattan</b>				
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
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

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
22		10	Recovery of undue payment of inadmissible allowances	0.018
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 <sup>th</sup> 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		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	
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	

Dy. DEO (EE\_M) Pakpattan

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount	
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 <sup>th</sup> 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		Irregular 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	
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	0.416
68			3	Irregular withdrawal pay and allowances	0.224

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
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
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	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



Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
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
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	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

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
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
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
<b>District Education Authority, Vehari</b>				
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
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	-

Sr. No.	Name of Formation	AIR Para No.	Subject	Amount
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
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 bricks	0.147
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-B**

**Detail of Expenditure**

(Rupees in million)

Sr. No.	RDA Name	District of DEA	Budget	Expenditure	Lapse
1	RDA, Bahawalpur	Bahawalnagar	11,390.959	10,344.651	1,046.308
2		Bahawalpur	12,372.906	9,027.783	3,345.123
3		Rahim Yar Khan	16,186.448	11,671.059	4,515.389
<b>Total (RDA, Bahawalpur)</b>			<b>39,950.313</b>	<b>31,043.493</b>	<b>8,906.820</b>
4	RDA, DG Khan	Dera Ghazi Khan	7,533.291	7,194.734	338.557
5		Layyah	7,349.034	6,554.659	794.375
6		Muzaffargarh	8,289.433	8,239.962	49.471
7		Rajanpur	4,458.029	4,262.520	195.509
<b>Total (RDA, D.G Khan)</b>			<b>27,629.787</b>	<b>26,251.875</b>	<b>1,377.912</b>
8	RDA, Faisalabad	Chiniot	4,081.420	3,321.780	759.640
9		Faisalabad	22,158.893	17,515.417	4,643.476
10		Jhang	10,219.608	7,748.653	2,470.955
11		Toba Tek Singh	10,008.652	7,541.270	2,467.382
<b>Total (RDA, Faisalabad)</b>			<b>46,468.573</b>	<b>36,127.120</b>	<b>10,341.453</b>
12	RDA, Multan	Khanewal	10,516.721	8,551.744	1,964.977
13		Lodhran	4,702.306	4,178.999	523.307
14		Multan	12,272.732	9,392.005	2,880.727
15		Pakpattan	4,917.164	4,171.196	745.968
16		Sahiwal	8,761.625	7,853.078	908.547
17		Vehari	8,967.198	7,632.710	1,334.488
<b>Total (RDA, Multan)</b>			<b>50,137.746</b>	<b>41,779.732</b>	<b>8,358.014</b>
<b>Grand Total</b>			<b>164,186.419</b>	<b>135,202.220</b>	<b>28,984.199</b>

**Annexure-C/BWN**

**[Para: 1.2.5.2.4]**

**Irregular expenditure due to non-observing PPRA Rules – Rs 5.360 million**

(Rupees in million)

Name of Office	Sr. No.	School Name	Bill No.	Date	Goods/Work Done	Amount
Dy.DEO (EE-M) MND	1	GES Khair Shah Uttar	14	22.02.2019	Paint Material etc	0.374
	2	GES Chopalia	9	19.07.2019	Bricks, Cement, etc	0.100
	3	GES Chopalia	2	06.11.2017	Students chairs etc	0.194
	4	GES Chopalia	10	28.07.2019	Roof, Brick etc	0.100
	5	GES Ratteka	58	12.07.2019	Other Items	0.160
	6	GES KheraKaloka	20	11.06.2019	Bricks, Cement, etc	0.340
	7	GES KheraKaloka	20	11.06.2019	Labour of B.W Construction	0.100
	8	GPS Chabiana	15	08.05.2019	Iron Bench	0.146
	9	GES JorkiSikhan	1	03.10.2017	Tab, White Board etc	0.100
	10	GES JorkiSikhan	11	10.01.2019	Teacher chair etc	0.100
	11	GES JorkiSikhan	12	14.06.2019	Greener etc	0.100
	12	GLMS PipalKhalsana	9	03.01.2018	Bricks, Cement etc	0.100
	13	GLMS PipalKhalsana	13	05.07.2019	Bricks, Cement etc	0.101
	14	GES DhabSucha Singh	Cash Withdrawal	25.07.2019	Bank Statemet	0.300
	15	GPS Chak Ahmad Yar	4	26.01.2019	Bench Desk, Teacher Table etc	0.190
	16	GPS Rohana	23	17.06.2019	Desk Bench repairing	0.167
	17	GPS BongaBlochan	5	29.08.2018	Bricks, Cement etc	0.100
	18	GPS BongaBlochan	10	11.06.2019	Ground Leveling etc	0.100
	19	GPS BongaBlochan	11	29.08.2019	Bricks, Plantation etc	0.100
	20	GPS BongaBlochan	12	03.03.2020	Plantation, Paint etc	0.100
	21	GPS Bareka	14	11.07.2018	Room Construction	0.250
	22	GPS Bareka	15	17.07.2018	Room Construction	0.250
	23	GPS Bareka	16	10.08.2018	Veranda	0.100
	24	GPS Bareka	19	14.06.2019	Furniture, Uniform etc	0.120
	25	GPS BehramSar			1000 KG Rod	0.100
	26	GPS BehramSar		20.07.2018	Desk Bench	0.100
	27	GES Lahorka	1179985- 985	-	Different bills as splitting and one bill more than one lac	0.250
	27		104384			0.100
28	GES Haran Wala	-	15.07.19	Ready Roof	0.120	
CEO (DEA) BWN	29	Expenditure out of varius heads				0.898
<b>Total</b>						<b>5.360</b>

**Annexure–D/BWN**

**[Para: 1.2.5.2.5]**

**Irregular appointment and change of cadre from PET to EST – Rs 4.156 million**

(Rupees in million)

Sr. No.	DATE (MM.DD.YY)		No. of Months	Basic Pay Drawn	Amount
1	11/01/1997	12/01/1997	2	2,387	0.005
2	12/01/1997	12/01/1998	12	2,548	0.031
3	12/01/1998	12/01/1999	12	2,709	0.033
4	12/01/1999	12/07/1999	6	2,709	0.016
5	12/07/1999	12/01/2000	6	2,870	0.017
6	12/01/2000	12/01/2001	12	4,540	0.054
7	12/01/2001	12/01/2002	12	4,780	0.057
8	12/01/2002	12/01/2003	12	5,920	0.071
9	12/01/2003	12/01/2004	12	5,260	0.063
10	12/01/2004	07/01/2005	6	6,040	0.036
11	07/01/2005	12/01/2005	6	6,315	0.038
12	12/01/2005	12/01/2006	12	6,590	0.079
13	12/01/2006	07/01/2007	6	7,565	0.045
14	07/01/2007	12/01/2007	6	8,195	0.049
15	12/01/2007	07/01/2008	6	9,860	0.059
16	07/01/2008	12/01/2008	6	10,240	0.061
17	12/01/2008	12/01/2009	12	10,620	0.127
18	12/01/2009	12/01/2010	12	11,000	0.132
19	12/01/2010	07/01/2011	6	17,660	0.106
20	07/01/2011	07/15/2011	1	17,760	0.018
21	07/15/2011	12/01/2011	6	18,470	0.111
22	12/01/2011	12/01/2012	12	18,980	0.228
23	12/01/2012	12/01/2013	12	19,590	0.235
24	12/01/2013	12/01/2014	12	20,200	0.242
25	12/01/2014	07/01/2015	6	25,350	0.152
26	07/01/2015	12/01/2015	6	26,140	0.157
27	12/01/2015	07/01/2016	6	32,320	0.194
28	07/01/2016	12/01/2016	6	33,300	0.200
29	12/01/2016	07/01/2017	6	39,750	0.239
30	07/01/2017	12/01/2017	6	40,920	0.246
31	12/01/2017	01/01/2018	1	41,710	0.042
32	01/01/2018	12/01/2018	11	43,230	0.476
33	12/01/2018	12/01/2019	12	44,750	0.537
<b>Total Pay</b>					<b>4.156</b>

**Annexure–C/BWP****[Para: 2.2.5.1.6]****Irregular expenditure in violation of school council policy –****Rs 10.067 million****(Rupees in million)**

<b>Sr. No.</b>	<b>Markaz Name</b>	<b>School Name</b>	<b>New construction Detail</b>	<b>Amount</b>
1	Adda 42 DB	GPS 41 DB (W)	2 Toilets	0.117
2	Adda 42 DB	GPS 39 DB	2 Toilets	0.095
3	Adda 42 DB	GPS 46 DB (W)	2 class rooms + 2 Toilets	0.918
4	AddaSokar Minor	GPS 50 DB (MZ)	2 class rooms	0.645
5	AddaSokar Minor	GPS 68 DB	2 class rooms	0.558
6	AddaSokar Minor	GES 69 DB	2 class rooms + 2 Toilets	0.986
7	Yazman City	GTPS Yazman	3 class rooms + 170 feet Boundary wall +1 Toilet	1.021
8	Yazman City	GES 88/DB	1 class room	0.200
9	Tailwala	GES 107 DB	2 class room + 3 toilets	0.698
10	Tailwala	GPS 104 DB	1 class room	0.257
11	Pull Tailwala	GPS 119 DB	2 class room	0.401
12	Adda 13000	GPS 8 DNB	1 class room	0.411
13	Adda 13000	GPS Baghwala	1 class room	0.247
14	Adda 13000	GPS 17 DNB	1 class room	0.411
15	Adda 42000	GES 45 DNB	1 Toilet construction	0.040
16	Khtri Banglow	GPS 129 DB	1 room + boundary wall	0.196
17	Adda Mukdi	GPS 85 DB	3 class Rooms + 1 Toilet	0.986
18	Adda Mukdi	GPS 73 DB	2 class Rooms + 1 Toilet	1.057
19	Adda Mukdi	GPS 74 DB	2 class Rooms + 1 Toilet	0.822
<b>Total</b>				<b>10.067</b>

**Annexure-C/DGK**

**[Para: 4.2.5.2.5]**

**Unauthentic expenditure on purchase of furniture – Rs 7.001 million**

(Amount in Rupees)

<b>EMIS Code</b>	<b>Name of School</b>	<b>Markaz</b>	<b>Drwal</b>	<b>Head</b>	<b>Amount</b>
32110098	GES Jinah Colony	Sader	699075	Furniture	374,915
32110160	GES Memori	Memori	498380	Furniture	343,980
32110161	GPS Bundani	Memi	510000	Furniture	130,000
32110968	GPS Jenday wala	Haji Ghazi	462547	Furniture	157,950
32110972	GPS Khan Wala	Haji Ghazi	548164	Furniture	137,000
32110260	GPS Basti Mirasi	Hji Ghazi	743800	Furniture	102,000
32110250	GPS Kareem Abad	Sadar North	633170	Furniture	204,620
32110256	GPS Koray Wala	Sader North	445120	Furniture	149,650
32110265	GPS Chak Ramin	Pakka Shah Nawaz	264782	Furniture	176,710
32110263	GPS Bhati Maitla	Pakka Shah Nawaz	280206	Furniture	140,000
32110264	GPS Chak Guzrwan	Pakka Shah Nawaz		Furniture	150,500
32110266	GES Nahar Wala	Pakka Shah Nawaz	933706	Furniture	245,700
32111003	GPS Jalal Wala	Pakka Shah Nawaz	650000	Furniture	150,000
32110269	GPS Usmana Abad	Pakka Shah Nawaz	381359	Weather Ssheet	100,000
32110271	GES Mufty Wala	Pakka Shah Nawaz	694321	Furniture	368,550
32110487	GPS Thul Sobha	Pakka Shah Nawaz		Furniture	216,849
32111148	GPS Easan Wala	Shah Sader Din West	250000	Furniture	150,148
32110476	GPS Shah Ali	Shah Sader Din West	434000	Uniform	129,900
		Darhma		Furniture	102,182
32110452	GPS Shah Sader Din	Shah Sader Din East	483500	Furniture	228,340
32110461	GPS Basti Hot	Shah Sader Din East	318901	Furniture	128,280
32110474	GPS Chack Kora	Shah Sader Din East	688160	Furniture	334,000
32110470	GPS Tagaini No.1	Shah Sader Din East	555483	Furniture	120,356
32110960	GPS Taj wala	Samina	866055	Furniture	641,520
32110966	GPS Jhirkal	Samina	203201	Furniture	113,500
32110234	GPS Farooq Abad	Samina	330580	Furniture	192,120
32110236	GPS Durata	Samina	156741	Furniture	100,000
32111009	GPS Yary Wali	Ramin	434950	Furniture	134,000
32111017	GPS Sabzani	Kala	415331	Furniture	170,570
32111017	GPS Sabzani	Kala		Wheather sheet	142,610
32110074	GES Notal Sikhani	Kala		Wheather sheet	441,280
32111015	GPS Khalil Abad	Kala	439577	Furniture	176,000
32110277	GPS New Hussan Wala	Shadan Lund		Furniture	150,000
32110295	GPS Kanday Wala	Ahmadani	323438	Furniture	128,571
32111318	GPS Bati Kothi Mosa	Rohgin No.2	139930	Furniture Desk	115,830
<b>Total</b>					<b>7,009,548</b>



**Annexure-D/DGK****[Para: 4.2.5.2.10]****Unauthorized payment of inadmissible allowances – Rs 4.331 million**

(Rupees in million)

<b>Sr. No</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1	Dy DEO (EE-M) Taunsa	Hill allowance	0.090
2		Charge allowance	0.174
3		Qualification allowance	0.249
4		Inadmissible allowances	1.815
5		Integrated allowance	0.165
6		Charge allowance to AEO	0.040
7	Dy DEO (EE-W) Taunsa	Hill Allowance	0.133
8		Charge allowance	0.019
9		Inadmissible allowance	0.628
10	Dy. DEO (EE-M) D.G. Khan	Qualification allowance	0.194
11		Qualification allowance	0.079
12		Personal allowance	0.135
13		Hill allowance	0.024
14		Fine imposed during absent	0.167
15		Science teaching allowance	0.018
16	Charge allowance	0.125	
17	Dy. DEO (EE-W) D.G. Khan	Personal allowance	0.022
18		Annual increment during maternity leave	0.020
19		Charge allowance	0.192
20		Inadmissible allowances	0.024
21		Charge allowance to AEO	0.018
<b>Total</b>			<b>4.331</b>

**Annexure-E/DGK**

**[Para: 4.2.5.2.16]**

**Overpayment on account of qualification allowance – Rs 2.362 million**

(Amount in Rupees)

P.No.	Name	BS	Designation	Head	Rate	Total
30351388	FARRUKH SHABBIR	14	Primary School Teacher	Qualification Allowance	5,000	25,000
30757416	IMTIAZ HUSSAIN TAHIR	14	Primary School Teacher	-do-	5,000	25,000
30946904	MUHAMMAD FAROOQ AKBAR LAGHARI	18	Deputy DEO	-do-	5,000	25,000
31329877	ALTAF AHMAD	14	Primary School Teacher	-do-	5,000	25,000
31378088	SAIMA GUL	15	EST General	-do-	5,000	25,000
31535109	ABDUL MAJID ABID	14	Primary School Teacher	-do-	5,000	25,000
31544136	MUHAMMAD HASHIM	14	Primary School Teacher	-do-	5,000	25,000
31549376	AMNA ISMIAL	15	EST General	-do-	5,000	25,000
31551848	AFTAB AHMAD	15	Primary School Teacher	-do-	5,000	25,000
31553299	LIAQAT ALI	16	S.S.T. (TECH)	-do-	5,000	25,000
31559909	SAMAN JAHAN	15	S.E.S.E	-do-	5,000	25,000
31584544	FARAH NAZ KHOSA	14	Primary School Teacher	-do-	5,000	25,000
31584885	SAMINA SAIDDIQ	15	EST GENERAL	-do-	5,000	25,000
31584960	SHUMS-UL- MUSTFA	14	Primary School Teacher	-do-	5,000	25,000
31632248	KHAWAR ISMAIL	14	E.S.E (SCI/MATH)	-do-	5,000	25,000
31635495	ASIF IQBAL	15	EST General	-do-	5,000	25,000
31641932	WAHEEDA ATHAR	15	S.E.S.E (Math)	-do-	5,000	25,000
31646944	ANJUM HAFEEZ	15	EST General	-do-	5,000	25,000
31654124	MUHAMMAD SOHAIL	14	Primary School Teacher	-do-	5,000	25,000
31732239	FARYAL KHALID	15	Primary School Teacher	-do-	5,000	25,000
31737817	MUREED AHMAD	14	E.S.E	-do-	5,000	25,000
31737828	SALEEM ULLAH	14	E.S.E	-do-	5,000	25,000
31737858	ATTA ULLAH	14	Primary School Teacher	-do-	5,000	25,000
31737865	MUHAMMAD NASIR MAJEED	15	S.E.S.E	-do-	5,000	25,000
31738825	FAREEHA JAVED	14	Primary School Teacher	-do-	5,000	25,000
31739744	HAFIZ MUHAMMAD IRFAN SAEED	14	Primary School Teacher	-do-	5,000	25,000
31741153	HUSNAIN FAROOQ	14	Primary School Teacher	-do-	5,000	25,000
31741822	MUSHTAQ AHMAD	14	E.S.E (Science/Math)	-do-	5,000	25,000
31741834	SARFARAZ HUSSAIN	14	E.S.E (Science/Math)	-do-	5,000	25,000
31741943	KHIZAR IQBAL	14	E.S.E (Science/Math)	-do-	5,000	25,000
31742104	MUHAMMAD YAQOOB	14	Primary School Teacher	-do-	5,000	25,000
31742132	MUHAMMAD HANIF	14	Primary School Teacher	-do-	5,000	25,000
31742176	ABDULLAH IRSHAD	14	Primary School Teacher	-do-	5,000	25,000
31742303	AMMARA ABID	14	E.S.E (Science/Math)	-do-	5,000	25,000
31742565	SEHRISH KHAN	15	EST General	-do-	5,000	25,000
31742706	NAEEM RAZA	14	Primary School Teacher	-do-	5,000	25,000
31743148	FAIAZ HUSSAIN	16	Assistant Education Officer	-do-	5,000	25,000

P.No.	Name	BS	Designation	Head	Rate	Total
31743380	RUKHSANA ZIA PARACHA	14	E.S.E	-do-	5,000	25,000
31744508	SAIRA SHABIR KHOSA	14	E.S.E	-do-	5,000	25,000
31744539	SHOAIB HASAN MEHDI	14	Primary School Teacher	-do-	5,000	25,000
31744544	MUHAMMAD NASIR ABBAS	14	E.S.E (Science/Math)	-do-	5,000	25,000
31749952	ANEELA KARAM	14	E.S.E	-do-	5,000	25,000
31750361	MALIK MUHAMMAD FAKHAR IMAM	14	E.S.E (Science/Math)	-do-	5,000	25,000
31750652	SADIA RAFIQUE	15	EST General	-do-	5,000	25,000
31751740	FOUZIA SALEEM	14	Primary School Teacher	-do-	5,000	25,000
31751907	SAMREEN BIBI	14	E.S.E (Science/Math)	-do-	5,000	25,000
31753669	ANWAR JAVED	14	Primary School Teacher	-do-	5,000	25,000
31755662	GHULAM SIDDIQ	15	S.E.S.E (Math)	-do-	5,000	25,000
31757509	NOMAN MAJEED	14	E.S.E (Science/Math)	-do-	5,000	25,000
31757813	AKHTAR ABBAS	14	E.S.E (Science/Math)	-do-	5,000	25,000
31843168	IFTIKHAR AHMAD	14	Primary School Teacher	-do-	5,000	25,000
31843172	ZULFIQAR AHMAD	14	Primary School Teacher	-do-	5,000	25,000
31843181	NEELAM YASIN	14	Primary School Teacher	-do-	5,000	25,000
31843188	ABDUR REHMAN	14	Primary School Teacher	-do-	5,000	25,000
31843192	ABID AZIM	14	Primary School Teacher	-do-	5,000	25,000
31843205	MUHAMMAD ORANGZEB	14	Primary School Teacher	-do-	5,000	25,000
31846220	ARSHAD ALI	14	Primary School Teacher	-do-	5,000	25,000
31849645	MUHAMMAD HABIB AFAQ	14	Primary School Teacher	-do-	5,000	25,000
31852073	SYED ABDUL MANNAN	14	Primary School Teacher	-do-	5,000	25,000
31853561	QAMAR QASIM	14	E.S.E	-do-	5,000	25,000
31905237	INAM ULLAH JAVED	14	Primary School Teacher	-do-	5,000	25,000
31915083	YASIR AMIN	14	E.S.E	-do-	5,000	25,000
32003527	SIKANDAR HAYAT	14	E.S.E (Science/Math)	-do-	5,000	25,000
32010469	KASHIF NAZEER	14	E.S.E (Science/Math)	-do-	5,000	25,000
32022727	SAJIDA RAMZAN	14	E.S.E (Science/Math)	-do-	5,000	25,000
32022908	KHUDA DAD	14	E.S.E (Science/Math)	-do-	5,000	25,000
32022913	JALIL AHMAD	14	E.S.E (Science/Math)	-do-	5,000	25,000
32022918	MUHAMMAD YUSAF	14	E.S.E (Science/Math)	-do-	5,000	25,000
32022919	MOHSIN RAZA	14	E.S.E (Science/Math)	-do-	5,000	25,000
32022924	MUHAMMAD ISHAQ	14	E.S.E (Science/Math)	-do-	5,000	25,000
32022925	MUJEEB UR REHMAN	14	E.S.E (Science/Math)	-do-	5,000	25,000
32022979	MONAM KHAN	14	E.S.E (Science/Math)	-do-	5,000	25,000
32023797	MUHAMMAD ASIF	14	E.S.E (Science/Math)	-do-	5,000	25,000
32023972	SUMAIRA NOOR	9	E.S.E (Science/Math)	-do-	5,000	25,000
32024214	MUHAMMAD SAIF ULLAH	14	E.S.E (Science/Math)	-do-	5,000	25,000
32024475	MUHAMMAD WASIM AKRAM	14	E.S.E (Science/Math)	-do-	5,000	25,000
32024655	SAMI ULLAH	14	E.S.E (Science/Math)	-do-	5,000	25,000
32024981	MUHAMMAD IMRAN	14	E.S.E (Science/Math)	-do-	5,000	25,000
32024988	MUHAMMAD GHAZANFAR BASHIR	14	E.S.E (Science/Math)	-do-	5,000	25,000
32025305	ASIFA AMEEN	14	E.S.E (Science/Math)	-do-	5,000	25,000
32025308	SHAZIA PARVEEN	14	E.S.E (Science/Math)	-do-	5,000	25,000

P.No.	Name	BS	Designation	Head	Rate	Total
32025732	MUHAMMAD ARSHAD	14	E.S.E (Science/Math)	-do-	5,000	25,000
32025802	SHOUKAT ABBAS	14	E.S.E (Science/Math)	-do-	5,000	25,000
32025846	ZAFAR IQBAL	14	E.S.E (Science/Math)	-do-	5,000	25,000
32027406	MANSOOR AHMAD	14	E.S.E (Science/Math)	-do-	5,000	25,000
32038412	HAMZA AHMAD	14	E.S.E (Science/Math)	-do-	5,000	25,000
32039304	MUHAMMAD IMRAN HAYAT	14	E.S.E	-do-	5,000	25,000
32039340	AZHAR ABBAS	14	E.S.E (Science/Math)	-do-	5,000	25,000
32040514	KHAYAM ISMAIL	14	E.S.E (Science/Math)	-do-	5,000	25,000
32040564	HAFIZ MUHAMMAD ANAS FAIZ	14	E.S.E	-do-	5,000	25,000
32040566	KHIZIR HAYAT	14	E.S.E	-do-	5,000	25,000
32040642	MUNIR QADIR	14	E.S.E (Science/Math)	-do-	5,000	25,000
32043547	MUHAMMAD AZMAT	14	E.S.E (Science/Math)	-do-	5,000	11,600
32064547	MUHAMMAD AHMAD RIAZ	14	E.S.E (Science/Math)	-do-	5,000	25,000
32080203	KHALIDA JABEEN	15	S.E.S.E (Science)	-do-	5,000	25,000
<b>Total</b>						<b>2,361,600</b>

**Annexure-F/DGK**

**[Para: 4.2.5.2.18]**

**Un-authorized advance recovery of conveyance allowance and salaries -  
Rs 1.910 million**

(Amount in Rupees)

<b>Name</b>	<b>L period</b>	<b>Challan No.</b>	<b>Date</b>	<b>Amount</b>
Abida Khosa	22-01-2020 to 04-02-2020	15	21-01-20	16196
Afrah Sunbhul	13-9-19 to 26-9-19	12 ,17	13-09-19,20-09-19	15704
Asia Kanwal	02-10-19 to 30-12-19	16	7/10/19	98783
Asia Kanwal	14-01-20 to 27-01-20	11	17-01-20	15884
Aysha nawaz	04-11-19 to 18-12-19	63	4/11/19	49825
Bazgha Abbas	16-08-19 to 14-09-19	19	20-08-19	33602
fazila Baloch	17-02-20 to 16-05-20	5	19-02-20	104264
Foia Banouz	16-01-20 to 14-02-20	9	16-01-20	37490
Fouzia bano	25-9-2019 to 24-10-2019	39 ,54	25-09-2019	32688
Fouzia Nawaz	13-01-20 to 26-02-20	1	14-01-20	53088
Hafsa Riaz	13-3-20 to 22-3-20	17	10/3/20	11345
Hana Fatima	27-11-19 to 11-12-19	11	27-11-19	16967
Hina Faiz	10-10-19 to 9-11-19	7	10/10/19	33977
Hina Fatima	15-08-19 to 28-09-19	14	9/8/19	49862
Hina Fatima	30-9-19 to 14-10-19	180	30-09-19	16319
Iram batool	02-12-19 TO 11-12-19	8	2/12/19	11346
Khush Bakht	06-01-20 to 19-02-20	23 , 6	09-12-19 ,13-01-20	52543
Munaza Naseer	15-01-20 to 31-01-20	8	17-01-20	19288
Nadia Rasool	09-10-19 to 08-11-19	57	7/11/19	37453
Nadia Rasool	13-11-19 to 26-11-19	70	12/11/19	15937
Noshaba Hafeez	03-03-20 to 16-04-20	34	2/3/20	51241
Palwasha Nasrin	21-09-2019 to 20-10-2019	13 , 15	3/10/2019	32927
Rehana Batool	08-10-2019 to 06-11-2019	17	2/10/2019	32782
Romana rashid	14-10-2019 to 7-11-2019	8	2/10/2019	28787
Sadia lateef	02-03-20 to 15-04-20	14	3/3/20	51623
Saima Khalid	21-10-2019 to 17-11-19	9	21-10-19	31010
Shaista Noorani	16-10-19 to 30-10-19	14	18-10-19	16825
Shaista Noorani	30-9-19 to 14-10-19	2	3/10/19	16830
Shamim Akhtar	08-11-19 to 22-11-19	18	8/11/19	8853
Shazia Iqbal	21-02-20 to 05-04-20	5	21-02-20	51760
Qaisra Iram	07-08-19 to 04-11-19	1	9/8/19	99286
Sidra Bibi	20-01-20 to 03-02-20	9	22-01-20	17253
Tabashar Noor	03-03-20 to 12-03-20	7	3/3/20	11346
Tabshar Noor	21-02-20 to 01-03-20	11 ,26	18-02-20 , 19-02-20	12128
Tahira Kousar	31-01-20 to 09-02-20	27	31-01-20	13270
Tahira Kousar	21-01-20 to 30-01-20	7 , 11	22-01-20 ,23-01-20	12500
Tayyba Tehrim	20-08-19 to 17-11-19	2 ,23	27-08-19	54397

Name	L period	Challan No.	Date	Amount
Yasmin Kousar	15-01-20 to 28-02-20	6	15-01-20	50945
Zahra Khalid	3-3-20 to 16-4-20	3	7/3/20	51661
Mehrin Mustafa	06-02-20 to 05-05-20	4	17-03-20	50853
Maimona Arif	29-01-20 to 11-02-20	18 , 4	3/2/20	16745
Alia Rubab	27-7-19 to 26-10-19	22	31-07-19	8383
Alia Suliman	24-02-20 to 23-05-20	18	21-02-20	8568
Amara Nazar	13-9-20019 to 11-12-2019	15	13-09-2019	8439
Amina Akbar	13-10-20 to 13-11-20	22	21-10-2019	2980
Aqeela Habib	21-01-20 to 14-02-20	20	4/2/20	1428
Arisha Aftab	01-03-20 to 29-05-20	6	27-02-20	8384
Ashraf Atta	3-3-20 to 31-5-20	8	10/3/20	8384
Asifa Qamar	03-02-20 to 16-02-20	5	4/2/20	1379
Asma Kiran	05-3-20 to 02-6-20	21	3/3/20	8389
Ayesha Noor	25-7-19 to 31-8-19	10	22-07-20019	1566
Aziz Fatima	16-9-19 to 27-9-+19	21	18-09-19	1142
Aziz Fatima	27-8-19 to 15-9-19	22	29-08-19	1889
Bakhtawar Habib	19-08-19 to 16-11-19	6	20-08-19	8568
Be-Nazeer	06-01-20 to 04-04-20	3	11/9/20	8568
Bushra Faiz	02-9-19 to 30-11-19	24	30-11-19	8473
Bushra tanveer	06-01-20 to 26-01-20	2	6/1/20	1935
Farhana Gul	19-10-19 to 16-01-20	17	18-10-20019	8357
Farkhanda Bashir	21-9-19 to 19-12-19	30	23-09-19	8568
Ghulam Fatima	17-02-20 to 16-05-20	15	18-02-20	8466
Ghulam Sakina	22-10-19 to 28-10-19	13	22-10-19	645
Ghulam Sakina	11-7-19 to 24-8-19	18	20-08-19	830
Gul Sherin	27-8-19 to 05-9-19	22	26-08-19	950
Hafiza Zarghona	29-01-20 to 11-02-20	22	29-01-20	1390
Zarghona Asgher	02-11-19 to 30-01-20	15	2/11/19	8568
Haseena Bibi	25-7-19 to 05-9-19	18	20-07-19	1742
Hasina bashir	29-7-19 to 26-10-19	17	5/8/19	6817
Hasina Rafique	16-8-19 to 13-+11-19	19	17-08-19	8568
Humaira Qadir	20-8-19 to 17-11-19	25	19-08-19	9542
Iqbal Bibi	19-10-19 to 15-11-19	15	8/10/19	2626
Jazba Zafar Ullah	26-08-19 to 23-11-19	13	23-08-19	8460
Kaneez Fatima	20-01-20 to 18-02-20	3	2/1/20	2856
Kaneez Rubab	24-01-20 to 18-02-20	2	17-01-20	2509
Kousar Fatima	29-7-19 to 14-9-19	4	23-07-19	2799
Maimona Zia	03-01-20 to 11-04-20	8	13-01-20	9431
Maria Khan	18-11-2019 to 15-02-20	10	20-11-2019	8480
Misbah Khalid	13-01-20 to 11-04-20	3	13-01-20	8510
Mubashra Aziz	17-8-2019 to 14-11-2019	15	16-08-2019	8426
Mumtaz Begum	21-11-2019 to 20-12-2019	47	5/11/2019	2795
Munaza Jabeen	10-2-20 to 9-5-20	21	12/2/20	8568
Nadia Rasool	13-02-20 to 12-05-20	6	19-02-20	8492
Naina Zahra	08-02-20 to 07-05-20	6	13-02-20	8524

Name	L period	Challan No.	Date	Amount
Nair Sultana	04-12-19 to 31-12-19	4	3/12/19	2580
Nair Sultana	04-11-19 to 03-12-19	13	1/11/19	2846
Nair Sultana	06-01-20 to 02-02-20	16	6/1/20	2592
Nasim Akhtar	02-12-19 to 21-12-19	5	2/12/19	3100
Rabia Bibi	20-02-20 to 19-05-20	12	21-02-20	8568
Rabia Gulshan	02-12-19 to 29-02-20	16	26-11-19	8531
Rabia Gulshan	05-11-19 to 30-11-19	42	11/11/19	2475
Ramila Komal	04-11-19 to 01-02-20	7	5/12/19	8568
Rashmin Khan	24-9-19 to 22-12-19	4	3/9/19	8568
Razia Bibi	16-08-19 to 13-11-19	11	11/8/19	8568
Razia Karim	8-10-19 to 21-10-19	8	10/11/19	1290
Razia Karim	21-01-20 to 03-02-20	20	21-01-20	1300
Razia Sultana	15-10-19 to 28-10-19	10	16-10-19	2258
Razia Sultana	29-10-19 TO 11-11-19	27	30-10-19	2317
Riffat Bibi	20-08-19 to 02-09-19	25	20-08-19	1197
Riffat Parveen	24-02-2020 to 23-05-2020	4	21-02-2020	8422
Rukhsana Afzal	04-12-19 to 18-12-19	16	5/12/19	1382
Sabira Qurashi	24-01-20 to 18-02-20	1	17-01-20	2509
Sajida Parven	13-02-20 to 04-03-20	15	17-02-20	2043
Salma Khan	29-7-19 to 14-9-19	5	23-07-19	2799
Salma naheed	16-8-19 to 30-8-19	8	17-08-19	1382
Salma naheed	02-9-19 to 16-9-19	18	2/9/19	1523
Salma Qadir	05-12-19 to 18-12-19	14	5/12/19	1290
Samina Akram	05-8-19 to 02-11-19	13	7/8/19	8233
Samina Bakhtawar	17-9-19 to 15-12-19	23	17-09-19	8568
Sarah Gull	23-8-19 to 01-9-19	18	22-08-19	922
Sehrish Khan	24-2-20 to 23-05-20	12	26-02-20	8422
Sehrish Naz	10-02-20 to 09-05-20	2	22-02-20	8568
Shabana Kousar	19-08-20019 to 2-10-19	21	20-08-19	4238
Shabana Kousar	28-02-20 to 12-03-20	12	2/3/20	1330
Shagufta Nazeer	10-02-20 to 23-02-20	32	14-02-20	1379
Shahzad Bibi	6-8-19 to 2-01-20	1	1/10/19	12161
Shaista zahoor	16-12-19 to 14-03-20	4	16-01-20	8476
Shamim Akhtar	20-8-19 to 02-9-19	26	20-08-19	2258
Shamsa Draz	24-01-20 to 22-04-20	5	24-01-20	8568
Shamshad Begum	30-10-19 to 12-11-19	27	31-10-19	1326
Shazia Atta	31-12-19 to 29-03-20	8	16-01-20	8568
Shazia manzoor	17-10-19 to 30-10-19	37	17-10-19	1290
Shehla Malik	15-2-20 to 28-2-20	23	17-02-20	1379
Shumaila Khazir	25-01-20 to 23-04-20	41	3/2/20	8568
Simmi Zaffar	25-2-20 to 24-5-20	37	24-03-20	8415
Surraya Begum	16-11-19 to 12-12-19	3	9/11/19	2630
Tanzeela Javeed	24-02-20 to 23-05-20	29	24-02-20	8422
tasleem Bibi	25-02-20 to 24-05-20	13	27-02-20	8415
Tehmina Iqbal	04-9-19 to 02-12-19	20	5/9/19	8466

<b>Name</b>	<b>L period</b>	<b>Challan No.</b>	<b>Date</b>	<b>Amount</b>
Tehmina Noor	15-08-19 to 12-11-19	15	9/8/19	8420
Ume Amara	22-10-19 to 05-11-19	12	3/10/19	1200
Ume Amara	03-10-19 to 15-10-19	12	23-10-19	1200
Ume kalsoom	04-9-19 to 18-9-19	23	11/9/19	1428
Zahida fareed	11-11-19 to 17-11-19	50	11/11/19	667
Zubaida Parveen	11-7-19 to 28-8-19	4	3/7/19	1219
Zunaira Fatima	24-02-20 to 23-05-20	18	25-02-20	8568
<b>Total</b>				<b>1,910,389</b>



**Annexure-C/RP****[Para: 7.2.5.2.6]****Unjustified expenditure without any expense of store items – Rs 9.451 million**

(Amount in Rupees)

Sr. No.	Name of School	Items	Total
1	GGPS basti Peer Bakhsh	Star Traders	57,981
2	GGPS Khot Wala	Star Traders	53,000
3	GGPS Qasi Wala	Hafeez Trader	45,757
4	GGPS Ghari Sultan Shah No. 1	Hafeez	34,803
5	GGES Mud Jam dur Muhammad	Bukhar Trader	76,000
6	GGPS Shah Wala	Bukhar Trader	50,000
7	GGPS Massan Shah	Hafeez	105,922
8	GGPS Deen Pur	Ahmad	36,010
9	GGPS mohallah Naseer Abad	Hafeez	18,500
10	GGPS Mohib Shah Jampur	Hafeez	90,000
11	GGPS Koray wala No. 2	Hafeez	18,985
12	GGMPS Dhora Rindan	Bukhar Trader	150,000
13	GGPS Chah Veryam	Star Trader	121,366
14	GMPS Bahar Peer	Ahmad	217,950
15	GGPS Kaper Wala	Ahmad	10,404
16	GGPS Mehmood Abad 1	Ahmad	57,092
17	GGPS Mehmood Abad No. 2	Hafeez Trader	63,777
18	GGPS Haider Wala	Hafeez Trader	37,000
19	GGMP Shahdi Wala	Star Trader	228,142
20	GGPS Said Pur	Bukhari	95,000
21	GGPS Dulloo wala Jampur	Ahmad	150,500
22	GGPS basti Laskani	Hafeez Trader	200,000
23	GMPS Basti Haji	In balance amount	159,162
24	GGPS Ghulam Rasool Lund	Hafeez Trader	54,000
25	GGPS Kareem Abad	Ahmad	189,000
26	GES basti Malkani	City Trader	181,311
27	GGPS basti Jhok Mahar Jampur	Hafeez Trader	170,175
28	GGPS Mai tha Farm	Hafeez Trader	33,570
29	GGPS basti Pehlwan	Hafeez Trader	67,000
30	GGPS Nadeem Ahmad Shah	Hafeez Trader	100,000
31	GGPS Chak Mongeri	Ahmad	74,793
32	GGPS Sheer Wala	Star Trader	24,000
33	GGCMS Hameed Wala	City	127,000
34	GGPS Bhutta Colony	Star Trader	59,000
35	GGPS basti Yarey Wala	Hafeez Trader	158,351
36	GGPS Muhammadia Colony	Ahmad	97,219
37	GGPS Khalil Wala	Ahmad	40,000
38	GGPS Rind Wala	Hafeez Trader	36,166

Sr. No.	Name of School	Items	Total
39	GGMS Tatar Wala	Star Trader	117,276
40	GGPS basti Hussain Jampur	Hafeez Trader	140,000
41	GGCMS Qamber Shah Kotla Dewan	Star Trader	225,000
42	GGPS basti Channar	Star Trader	150,000
43	GGPS basti Hafiz	Star Trader	85,000
44	GGPS Muhammad Pur -2	Star	170,000
45	GGPS Talai Wala	Ahmad	48,504
46	GGPS Jan Nagar	Star	190,000
47	GGPS Dajal No. 2	Ahmad	145,873
48	GGPS basti Pitafi	Star	45,000
49	GGPS basti Rindan No. 2	Ahmad	83,972
50	GGPS Sahoo Wala	Star	147,000
51	GGPS Muhamadi rawan walai	Ahmad	85,311
52	GGES Meeran Pur Shumali	Ahmad	185,000
53	GGPS basti Bahadur M. Pur	Ahmad	98,000
54	GGPS Masood Abad	Ahmad	89,000
55	GGES Tibbi Lundan	Star	73,600
56	GGPS basti Sonhara	Haez	73,000
57	GGPS Akhtar Abad	Ahmad	91,000
58	GGMPS Lalo Wala	Ahmad	109,000
59	GGES basti Tufki	Star	244,800
60	GGPS Pit Wali		50,000
61	GGPS Khalil Abad	Hafiz	176,000
62	GGPS No.2		152,348
63	GGPS Noor Pur Manjho wala	star	130,000
64	GGPS No. 3 Dajal	Star	46,000
65	GGPS Mari Wala	Ahmad	49,999
66	GMPS basti Daha	Star	26,000
67	GGPS basti Bochra	Star Alliance	95,000
68	GGPS basti Rehman Abad	Hafeez	148,000
69	GGPS Pitafi Wala	Ahmad	27,184
70	GMPS Jewan wala	Hafeez	139,479
71	GGPS Mud Yaray wala	Hafeez	30,000
72	GGMP basti Mir Muhammad	Star	286,600
73	GGES Saleem Abad	Ahmad	343,497
74	GGMPS Yar Shah 1	QT	95,560
75	GGMPS Jaam Selra	Bukhari	172,400
76	GGPS Nawan Shaher	star	114,700
77	GGPS bassti Saifullah	Star Alliance	55,000
78	GMPS Peer Bux	Ahmad	90,000
79	GGMPS Meeran Pur Colony	Star	274,000
80	GGPS Meer Nagar	star	45,000
81	GGMPS Rana Nagar	Kashmir	95,000
82	GGPS Basti Selra No. 1	Ahmad	150,000
83	GGMPS Liaqat Abad	Hafeez	228,720

<b>Sr. No.</b>	<b>Name of School</b>	<b>Items</b>	<b>Total</b>
84	GGPS Basti Punjabi	Star traders	70,000
85	GGPS Kotla Peran Shah Jampur	Ahmad	90,000
86	GGPS Haji Jindi	Ahmad	75,000
87	GGPS Basti Gaddan	Ahmad	110,000
	<b>Total</b>		<b>9,450,759</b>

**Annexure-D/RP****[Para: 7.2.5.2.8]****Unauthentic drawal by fictitious supplier bills – Rs 3.221 million**

(Amount in Rupees)

Sr. No.	Name of School	Items	Bill No.	Date	Total
1	GGPS basti Laskani	Hafeez Trader	784	03.10.19	200,000
			785	12.11.19	50,000
			786	24.02.20	50,000
			787	21.03.20	50,000
2	GGPS Mari Wala	Ahmad	13143	05.09.19	50,000
			13144	06.11.19	41,593
3	GGPS Kaper Wala	Ahmad	13172	10.08.19	73,000
4	GGPS Muhammadia Colony	Ahmad	10446	29.10.19	27,219
			11795	27.12.19	30,000
			11796	28.02.20	40,000
5	GGPS Bhutta Colony	Star Trader	2018	16.09.19	289,000
			2273	06.11.19	49,000
			2274	20.12.19	50,000
			2275	07.01.20	50,000
			2276	14.01.20	50,000
6	GGPS Mehmood Abad 1	Ahmad	10113	19.10.19	70,000
			10192	07.11.19	23,983
7	GGPS Haider Wala	Hafeez Trader	206	07.08.19	177,000
			207	09.08.19	
			644	17.02.20	
4	GGMP Shahdi Wala	Star Trader	1962	19.09.19	158,000
			1894	16.09.19	48,000
			1893	29.08.19	48,000
			2190	19.02.20	13,142
5	GGPS Dulloo wala Jampur	Ahmad	9165	24.07.19	50,000
			9166	31.07.19	45,000
			9167	22.08.19	3,500
			12745	06.03.20	24,000
			13066	24.06.20	15,000
7	GGPS Ghulam Rasool Lund	Hafeez Trader	380	23.09.19	40,000
			381	14.10.19	14,000
8	GGPS Nadeem Ahmad Shah	Hafeez Trader	512	05.11.19	50,000
			513	13.11.19	50,000

Sr. No.	Name of School	Items	Bill No.	Date	Total
			794	28.09.19	50,000
9	GGPS Chak Mongeri	Ahmad	11799	15.11.19	34,793
			10315	26.08.19	40,000
10	GGPS basti Hussain Jampur	Hafeez Trader	397	25.10.19	50,000
			398	01.11.19	50,000
			399	05.11.19	50,000
11	GGCMS Qamber Shah Kotla Dewan	Star Trader	1930	05.08.19	49,000
			1941	20.08.19	49,000
			1942	26.08.19	50,000
			1940	10.08.19	49,000
12	GGPS Muhammad Pur -2	Star	Nil	04.10.19	50,000
			8	12.12.19	50,000
			9	24.01.20	70,000
13	GGPS Jan Nagar	Star	2901	07.11.19	50,000
			2902	15.11.19	50,000
			2905	04.12.19	40,000
			2904	09.12.19	50,000
14	GGPS Noor Pur Manjho wala	Star	2567	19.11.19	45,000
			2568	29.01.20	50,000
			2565	13.11.19	45,000
15	Dy. DEO (EE-W) Jampur	Ahmad traders	-	-	270,105
<b>Total</b>					<b>3,221,335</b>

**Annexure-E/RP**

**[Para: 7.2.5.2.13]**

**Non-accountal of stores – Rs 1.226 million**

(Amount in Rupees)

Document No	Posting Date	Amount	Supplier	Items	Bill Date
1900027746	19.05.2020	49,888	Kashmir trader	Lock, Energy savers, Plastic pipe etc	25555 dt. 15.05.20
1901464350	14.12.2019	49,907	Kashmir trader	Head light, clutch plate etc.	24390 dt. 29.09.19
1901490246	27.01.2020	49,900	Kashmir trader	Power cable, wheel baring, etc.	25576 dt. 20.01.20
1900027748	19.05.2020	49,900	Kashmir trader	PC, Lap top	
1900025060	24.10.2019	49,467	Kashmir trader	Curtin, bracket fan, window glass	24342 dt. 25.07.19
1901464349	14.12.2019	49,140	Kashmir trader	Fridge Higher	25415 dt. 10.10.19
1901498602	27.12.2019	49,140	Kashmir trader	Lap top	24434 dt. 19.10.19
1900042682	06.12.2019	49,095	Kashmir trader	Stablizer and batteries 2 Nos.	24419 dt. 11.10.19
1900027745	19.05.2020	48,929	Kashmir trader	Electric cattle, thermose, tea cup, dinner set etc	25560 dt. 15.05.20
1900033272	13.01.2020	48,660	Kashmir trader	USB 5 Nos., printer	25519 dt. 05.01.20
1900033274	13.01.2020	48,420	Kashmir trader	Panaflex for clean & green Punjab 27 Nos.	25521 dt. 06.01.20
1901528040	24.10.2019	48,367	Kashmir trader	Energy savers, dustbin, room spray etc	24367 dt. 27.09.19
1900033273	13.01.2020	41,000	Kashmir trader	30 chair, 8 table repair	24415 dt. 04.01.20
1900013527	27.12.2019	34,866	Kashmir trader	Printer HP 1320 1 No.	25580 dt. 23.01.20
1901490244	27.01.2020	34,866	Kashmir trader	Printer HP	24436 dt. 20.10.19
1900045712	27.12.2019	25,000	Kashmir trader	Table wooden and revolving chair	24423 dt. 13.10.19
1900037544	15.01.2020	25,000	Kashmir trader	LCD dell, moth board	25410 dt. 02.01.20
1900035213	14.12.2019	24,997	Kashmir trader	UPS 2000 w	24420 dt. 12.10.19
1901476035	24.10.2019	24,980	Kashmir trader	Chair 7 Nos. and plastic table 1	24335 dt. 24.07.19
1901544012	02.03.2020	24,570	Kashmir trader	Chair 2 Nos. And 2 table	26076 dt. 28.02.20
123	04.06.20	49140	Kashmir trader	Table wooden 4 Nos.	25965 dt. 13.02.20
126	04.06.20	40950	Kashmir trader	Sofa Set 1 Nos.	25966 dt. 14.03.20

Document No	Posting Date	Amount	Supplier	Items	Bill Date
131	04.06.20	35263	Kashmir trader	Computer table 4 Nos.	25968 dt. 21.04.20
130	04.06.20	42646	Kashmir trader	Curtin 8, table set, water collar etc	25939 dt. 16.04.20
129	04.06.20	45864	Kashmir trader	Almira steel	25940 dt. 11.04.20
124	04.06.20	40950	Kashmir trader	LED (Without specification)	25938 dt. 20.02.20
146	09.06.20	49999	Kashmir trader	Dell Otiple	25949 dt. 05.06.20
144	09.08.20	19999	Kashmir trader	Dell UHD monitor 24'	25952 dt. 04.06.20
140	05.06.20	24921	Kashmir trader	Hard disc, lcd, mother board etc repair	25973 dt. 04.06.20
102	28.04.20	49999	Kashmir trader	Projector asus Zenbeam thep 20	26218 dt. 14.04.20
	<b>Total</b>	<b>1,225,823</b>			

**Annexure-C/CHN**

**[Para: 8.2.5.1.11]**

**Irregular expenditure on non-schedule items – Rs 2.061 million**

(Rupees in million)

<b>Sr. No.</b>	<b>Name of Scheme</b>	<b>Item Name</b>	<b>Quantity</b>		<b>Rate</b>	<b>Amount</b>
1	Upgradation of Govt. Girls High School Thatti Bala Raja to Higher Secondary Level	P/f fair face gutka	7,509	Sft	125	0.939
		S/E of Street light including G.I.Pipe & Shed	6	Nos.	5,000	0.030
		Main electric panel board	4	Nos.	12,000	0.048
		P/F class room almirah	168	Sft	379	0.064
2	Upgradation of Govt. Girls High School Kalri to Higher Secondary Level	P/F Terrace railing	88	Rft	592	0.052
		p/f stair railing	60	Rft	561	0.034
		p/f fair face gutka	5,425	Sft	131	0.711
		Main electric panel board	2	Nos.	15,000	0.030
3	Upgradation of Govt. Girls High School Kandival to Higher Secondary Level	P/F Terrace railing	96	Rft	592	0.057
		p/f stair railing	66	Rft	561	0.037
		S/E of Street light incl G.I.Pipe & Shed	6	Nos.	5,103	0.031
		Main electric panel board	2	Nos.	15,000	0.030
<b>Total</b>						<b>2.061</b>



**Annexure-D/FSD**

**[Para: 9.2.5.1.7]**

**Doubtful procurements through managed invoices – Rs 3.434 million**

(Rupees in million)

School Name	Invoice No.	Invoice Date	Name of Firm	Invoice Amount	Remarks
GPS 626 GB I	1025	06.03.2019	FS Enterprises	0.043	Two different bills / invoices i.e. FS Enterprises & Ghosia Steel Works dated 06.03.19
	1026	14.03.2019		0.035	Two different bills / invoices i.e. FS Enterprises & Sahi Bricks Works dated 14.03.19
	1027	24.03.2019		0.043	Two different bills / invoices i.e. FS Enterprises & Ghosia Steel Works dated 24.03.19
	1038	26.03.2019		0.035	Two different bills / invoices i.e. FS Enterprises & Sahi Bricks Works dated 26.03.19
	1039	01.04.2019		0.043	Two different bills / invoices i.e. FS Enterprises & Ghosia Steel Works
	1057	02.04.2019		0.015	Bill / Invoice of two different firms i.e. FS Enterprises and Naveed Shakeel Book Depot
	1058	10.04.2019		0.032	Two different bills / invoices of different suppliers for same item found in the record which indicated that fake invoices were prepared on the letter heads of different firms i.e. Ghosia Steel Works and FS Enterprises
	1555	05.07.2019	JD 65 Enterprises	0.049	Double billing i.e. JD Enterprises & Ghosia Steel Works for 5 iron windows and one iron door  1. Double billing i.e. from JD Enterprises and Local suppliers / laborers. 2. JD Enterprises bills in one sitting
	1563	22.08.2019		0.033	
	1558	15.07.2019		0.019	
	1556	10.07.2019		0.024	
	1557	12.07.2019		0.011	
	1559	01.08.2019		0.020	
	1560	15.08.2019		0.050	
	1561	18.08.2019		0.008	
	594	22.08.2019		0.014	
	597	15.08.2019		0.024	
	598	05.10.2019		0.025	
	599	16.10.2019		0.016	
600	17.10.2019	0.021			
1725	20.10.2019	0.013			
GPS 70 GB	133	24.05.2019	SH Enterprises	0.040	Inv. No. 131 on 08.06.19 but Inv. No. 133 on 24.05.19
	131	08.06.2019		0.046	Inv. No. 131 on 08.06.19 but Inv. No. 133 on 24.05.19
GPS 627 GB II	1265	06.12.2018	JD 65 Enterprises	0.006	Electricity Invoice by supplier instead of FESCO

School Name	Invoice No.	Invoice Date	Name of Firm	Invoice Amount	Remarks
	1272	11.03.2019		0.001	Inv No. 1270 & 1271 on 20.03.19 but 1272 on 11.03.19
	1271	20.03.2019		0.018	Inv No. 1270 & 1271 on 20.03.19 but 1272 on 11.03.19
	1270	20.03.2019		0.001	Inv No. 1270 & 1271 on 20.03.19 but 1272 on 11.03.19
	1269	20.03.2019		0.002	Inv No. 1268 on 30.03.19 but 1269 on 20.03.19
	1268	30.03.2019		0.047	Inv No. 1268 on 30.03.19 but 1269 on 20.03.19
	1062	27.09.2019		0.009	Inv No. 1062 on 27.09.19 and 1058 on 28.09.19
	1058	28.09.2019		0.002	Inv No. 1062 on 27.09.19 and 1058 on 28.09.19
	1055	30.09.2019		0.006	Inv No. 1050 on 30.09.19 and 1058 on 28.09.19
	964	09.05.2020		0.003	Electricity Invoice by supplier instead of FESCO
GES 53 GB	4658	15.09.2018	Zain Enterprises	0.005	Invoices in one sitting as consecutive invoice nos. 4658 to 4665 in different months from September 2018 to January 2019
	4659	15.09.2018		0.004	
	4660	06.10.2018		0.015	
	4661	18.10.2018		0.024	
	4662	25.10.2018		0.006	
	4663	06.11.2018		0.045	
	4665	11.01.2019		0.025	
GES 229 GB	1324	06.08.2019	Zain Enterprises	0.026	Invoice No. 1324 on 06.08.19 but 1325 & 1326 on 04.08.19
	1325	04.08.2019		0.011	Invoice No. 1324 on 06.08.19 but 1325 & 1326 on 04.08.19
	1326	04.08.2019		0.049	Invoice No. 1324 on 06.08.19 but 1325 & 1326 on 04.08.19
GPS 72 GB	2654	08.11.2018	Zain Enterprises	0.002	Inv. 2654 on 08.11.18 and 2655 on 07.11.18
	2655	07.11.2018		0.037	Inv. 2654 on 08.11.18 and 2655 on 07.11.18
GPS 60 RB II	4402	13.10.2019	Zain Enterprises	0.005	Invoice No. 4402 on 13.10.2019 but Invoice No. 4403 on 09.10.2019
	4403	09.10.2019		0.035	Invoice No. 4402 on 13.10.2019 but Invoice No. 4403 on 09.10.2019
GES 229 GB	6974	16.01.2020	Zain Enterprises	0.005	Invoice No. 6975 on 16.01.2020 but Invoice No. 6976 on 10.01.2020 and Invoice No. 6974 on 16.01.2020 but Invoice No. 6977 on 12.01.2020
	6975	16.01.2020		0.010	Invoice No. 6975 on 16.01.2020 but Invoice No. 6976 on 10.01.2020 and Invoice No. 6974 on 16.01.2020 but Invoice No. 6977 on 12.01.2020
MC ES Jaranwala	6976	10.1.2020	Zain Enterprises	0.018	Invoice No. 6975 on 16.01.2020 but Invoice No. 6976 on 10.01.2020 and Invoice No. 6974 on 16.01.2020 but Invoice No. 6977 on 12.01.2020
	6977	12.1.2020		0.041	Invoice No. 6975 on 16.01.2020 but Invoice No. 6976 on 10.01.2020 and Invoice No. 6974 on 16.01.2020 but Invoice No. 6977 on 12.01.2020
GPS 276 GB	8444	16.08.2019	Zain Enterprises	0.030	1. Invoice Nos. 8444, 8445 & 8446 of different months in one sitting.
	8445	31.01.2020		0.008	2. Invoice No. 8445 on 31.01.2020 but Invoice No. 8446 on 22.01.2020
	8446	22.01.2020		0.045	Invoice No. 8446 on 22.01.2020 but Invoice No. 8447 on 09.01.2020
	8447	09.01.2020		0.030	Invoice No. 8446 on 22.01.2020 but Invoice No. 8447 on 09.01.2020
	8449	20.09.2019		0.050	Invoice No. 8447 on 09.01.2020 but Invoice No. 8449 on 20.09.2019
	8458	23.08.2019		0.016	

School Name	Invoice No.	Invoice Date	Name of Firm	Invoice Amount	Remarks
	8460	24.07.2019		0.015	Invoice No. 8458 on 23.08.2019 but Invoice No. 8460 on 24.07.2019
GPS 206 RB IV	9223	17.03.2019		0.050	Invoice No. 9223 on 17.03.2019 but Invoice No. 9224 on 14.03.2019
	9224	14.03.2019		0.025	
	9225	12.03.2019		0.046	Invoice No. 9224 on 14.03.2019 but Invoice No. 9225 on 12.03.2019
	9226	17.03.2019		0.042	Invoice No. 9226 on 17.03.2019 but Invoice No. 9227 on 10.03.2019
	9227	10.03.2019		0.032	
GPS 60 RB II	10162	27.03.2019		0.025	Invoice No. 10162 on 27.03.2019 but Invoice No. 10265 on 06.03.2019
GES 193 RB	10265	06.03.2019		0.006	
GPS 26 GB	12139	24.05.2019		0.098	Invoice No. 10139 on 24.05.2019 but Invoice No. 10140 on 23.05.2019
GPS 276 GB	12140	23.05.2019		0.090	
GES 193 RB	15061	23.06.2019		0.016	Invoice No. 15061 on 23.06.2019 but Invoice No. 15074 on 09.06.2019
GPS 60 RB II	15074	09.06.2019		0.050	
GES 193 RB	336	01.01.2019		0.035	Inv 336 on 01.01.19 and 339 on 29.12.18
	339	29.12.2018		0.010	
GPS 72 RB	131	11.10.2018	JD 65 Enterprises	0.083	Sales Tax Return showed sale on 26.09.2018 whereas requests for quotations were sent on 02.10.2018, Quotations received and supply order placed on 08.10.2018 and supply made on 11.10.2018. It was not understandable that how the supplier new on 26.09.2018 that a specific school shall procure an item on specific Invoice and date for a specific amount.
	807	24.06.2020	M.M TRADERS	0.022	window glass purchased from Mohsin Glass on 24.06.2020 but invoice managed from MM Traders
GES 73 RB II	29	09.03.2019	JD 65 Enterprises	0.006	Invoice Nos. 27 & 28 on 10.03.19 but Invoice No. 29 on 09.03.19
	27	10.03.2019		0.006	
	28	10.03.2019		0.018	
	289	10.05.2019	AA Brothers	0.043	Invoices having consecutive serial nos. from 289 to 298 for different months i.e. May to October 2019 (in one sitting )
	291	11.05.2019		0.043	
	290	11.05.2019		0.048	
	292	12.05.2019		0.050	
	293	13.05.2019		0.019	
	294	14.05.2019		0.036	
	295	15.05.2019		0.009	
	296	22.10.2019		0.023	
	298	22.10.2019		0.010	

School Name	Invoice No.	Invoice Date	Name of Firm	Invoice Amount	Remarks
	297	22.10.2019		0.028	
GES 274 GB	1328	08.09.2018	A.M Trading Company	0.016	Invoices having consecutive serial nos. from 1328 to 1333 for different months i.e. from September 2018 to February 2019 (in one sitting)
	1329	10.10.2018		0.010	
	1330	10.12.2018		0.030	
	1331	nil		0.038	
	1333	08.02.2019		0.005	
	1	23.08.2019		0.059	Invoices in one sitting as consecutive invoice nos. 01 to 12 on 23.08.19, 25.08.19, 11.09.19, 19.09.19, 03.10.19, 09.10.19, 06.11.19, 21.02.2020, 10.03.2020. Invoice No. 6 on 03.10.2019 but Invoice No. 7 on 19.09.2019
	2	25.08.2019		0.026	
	3	25.08.2019		0.003	
	4	11.09.2019		0.058	
	5	13.09.2019		0.045	
	7	19.09.2019		0.005	
	6	03.10.2019		0.012	
	9	09.10.2019		0.009	
	10	06.11.2019		0.006	
	11	21.02.2020		0.030	
	12	10.03.2020		0.010	
	3344	09.05.2020		0.024	
3343	15.06.2020	0.013			
GPS 240 GB II	1630	04.03.2019	JD 65 Enterprises	0.050	Inv. No. 1626 on 06.03.2019 whereas Inv. No. 1630 on 04.03.2019
GPS 240 GB II	1626	06.03.2019		0.024	
	1636	04.06.2019		0.009	Inv. No. 1636 on 04.06.2019 whereas Inv. No. 1638 on 31.05.2019
	1638	31.05.2019		0.010	
	1904	13.01.2020		0.035	Invoices in one sitting as Inv. 1904 to 1905 in consecutive Nos. in different months i.e. 1904 on 13.01.2020, 1905 on 24.02.2020, 1906 on 29.05.2019, 1907 on 13.01.2020, 1908 & 1909 on 01.06.2020
	1905	24.02.2020		0.002	
	1906	29.05.2019		0.010	
	1907	13.01.2020		0.010	
	1908	01.06.2020		0.008	
1909	01.06.2020	0.040			
GES 240 GB	328	08.07.2018		0.012	Invoices in one sitting as Inv. 328 to 339 in consecutive Nos. in different months i.e. from July 2018 to Nov. 2018 and that too with considerable intervals
	329	10.07.2018		0.008	
	331	14.08.2018		0.010	
	332	16.08.2018		0.007	
	333	26.08.2018		0.011	
	334	10.09.2018	0.004		
	335	14.09.2018	0.018		
337	03.10.2018	0.010			

School Name	Invoice No.	Invoice Date	Name of Firm	Invoice Amount	Remarks
	339	10.11.2018		0.028	
	1916	29.03.2019		0.053	Invoice No. 1903 & 1904 on 02.04.19 but Invoice No. 1916 on 29.06.19
	1903	02.04.2019		0.012	
	1904	02.04.2019		0.005	Invoices in one sitting as Inv. 842 to 861 in consecutive Nos. and in different months i.e. from July 2019 to Sep 2019 and that too with considerable intervals. 2. Invoice No. 844 on 25.09.19 but Invoice No. 845 on 30.07.19
	842	14.07.2019		0.049	
	844	25.09.2019		0.045	
	845	30.07.2019		0.045	
	847	31.07.2019		0.050	
	848	31.07.2019		0.044	
	851	01.08.2019		0.015	
	852	03.08.2019		0.100	
	853	05.08.2019		0.018	
	854	20.08.2019		0.006	
	861	25.09.2019	JD 65 Enterprises	0.015	
<b>Total</b>				<b>3.434</b>	

**Annexure-E/TTS**

**[Para: 11.2.5.1.2]**

**Inefficient and non-transparent procurements – Rs 50.638 million**

(Rupees in million)

<b>Sr. No.</b>	<b>Name of DDO</b>	<b>Name of Items</b>	<b>Amount</b>
1	Chief Executive Officer, DEA	Furniture	40.904
		Computers	6.208
		Library Books	0.476
2	Deputy DEO(EE-W), Toba Tek Singh	Furniture, white wash	0.690
	Deputy DEO(EE-M) Gojra	Furniture, Electric items	1.529
3	Deputy DEO(EE-W) Gojra	Furniture	0.480
		electric items, white wash	0.351
<b>Total</b>			<b>50.638</b>

**Annexure-C/KWL**

**[Para No.12.2.5.2.1]**

**Unjustified cash payment instead of cheque – Rs 1,977 million**

(Amount in Rupees)

<b>Sr. No.</b>	<b>Cheque. No.</b>	<b>Date</b>	<b>Amount</b>
1	0104379	30.03.2020	77,410
2	0104380	30.03.2020	60,084
3	0104381	30.03.2020	92,040
4	0104382	30.03.2020	92,122
5	0104383	30.03.2020	94,435
6	0104384	30.03.2020	87,244
7	0104385	30.03.2020	46,259
8	0104386	30.03.2020	76,900
9	0104387	30.03.2020	70,471
10	0104388	30.03.2020	70,374
11	0104389	30.03.2020	92,029
12	0104390	30.03.2020	25,659
13	0104392	30.03.2020	58,570
14	0154017	27.06.2020	812,832
15	0154018	27.06.2020	100,996
16	0154034	27.06.2020	119,520
<b>Total</b>			<b>1,976,945</b>

**Annexure-C/LDN**

**[Para: 13.2.5.4.3]**

**Excess expenditure than provision of PC-I – Rs 2.615 million**

(Rupees in million)

School level	Item With specification	Qty	Rate paid	Rate as per PC-I	Excess rate	Excess expenditure
Elementary Schools	Computer Acer veriton-2730. Intel Core-i5-8th generation, Ram: 4GB DDR4: HDD:1TB Giga bit LAN, Built-in-WLAN card, keyboard USB Acer, Acer USB 2.0 mouse LED Monitor: Acer LED Monitor EB192Q 18.5" wide screen Windows 10 Home Operating System	25	101,500	74,000	27,500	0.687
	HP Laser Jet Printer M404DW Processor speed 1200 MHz, print speed (Black) 40 PPM, (A4 & legal), paper Trays 2 trays adjustable (A4 & Legal) Memory 128 MB, Wireless, Duplex printing automatic (standard)	5	61,500	40,000	21,500	0.107
High /Higher Secondary School	Computer Acer veriton-2730. Intel Core-i5-8th generation, Ram: 4GB DDR4: HDD:1TB Giga bit LAN, Built-in-WLAN card, keyboard USB Acer, Acer USB 2.0 mouse LED Monitor: Acer LED Monitor EB192Q 18.5" wide screen Windows 10 Home Operating System	60	101,500	74,000	27,500	1.650



School level	Item With specification	Qty	Rate paid	Rate as per PC-I	Excess rate	Excess expenditure
	HP Laser Jet Printer M404DW Processor speed 1200 MHz, print speed (Black) 40 PPM, (A4 & legal), paper Trays 2 trays adjustable (A4 & Legal) Memory 128 MB, Wireless, Duplex printing automatic (standard)	4	61,500	40,000	21,500	0.086
	Electrical wiring for 15 computers with 7.029 wire in proper Duct with circuit breaks DP, Two way wiring for UPS	4	46,000	25,000	21,000	0.084
<b>Total</b>						<b>2.614</b>

**Annexure-C/MLN**

**[Para: 14.2.5.3.1]**

**Non-refund of NSB funds from the schools privatized by the  
Government – Rs 3.291 million**

(Amount in Rupees)

Sr. No.	EMIS Code	Name of School	Bank Account No.	Name of Bank	Unspent Balance
1	36130352	GGPS PACCAY WALA NO-2	5913-1	NBP Bosan Road	51,297
2	36130498	GGPS MOUZA CHDHAR	4789-4	BOP Shah Rukne Alam	6,915
3	36130505	GMPS QASBA CHAHARAM	5580-5	BOP Mumtaz Abad	532
4	36130473	GGPS SHOUKAT SHAHEED COLONY	5615-0	BOP Mumtaz Abad	87,962
5	36130502	GGPS KIRPAL SINGH	5541-5	BOP Mumtaz Abad	162,639
6	36130599	GGPS BUCH MUBARAK	57880007	BOP Gulgasht	47,060
7	36130344	GGPS NANDLA NO-1	5938-0	NBP Gulgasht	40,746
8	36130581	GGPS GHARY BHAN	78579678100231-6	MCB Chak 2T	9,333
9	36130579	GGPS 10-T	6072-2	BOP MDA	27,044
10	36130557	GGPS MASEET WALA	3053-9	NBP Mumtazabd	38,960
11	36130562	GGPS BASTI BHOJIAN	4063062322	BOP 19 KASSI	20,672
12	36130576	GGPS DIN PUR	4071422721	BOP 19 KASSI	20,144
13	36130438	GGPS MOLVI WALA	5672-7	BOP Mumtaz Abad	89,913
14	36130440	GGPS MIRZAN PUR	4538-8	BOP Shah Rukne Alam	19,547
15	36130426	GGCMS FAREED PUR	5559-9	BOP Mumtaz Abad	54,485
16	36130484	GGPS GARDAIZ PUR	5624-3	BOP Mumtaz Abad	32,287
17	36130619	GGPS MANGEY HATTI	5836-0	BOP Gulgasht	16,508
18	36130425	GMPS 3-FAIZ	5529-9	BOP Mumtaz Abad	89,221
19	36130578	GMPS 8-T	11601-1	BOP Chowk Qazafi	65,871
20	36130582	GMPS MOUZA ARAIAN	4060498822	NBP Gulgasht	150
21	36130275	GGPS JALAL SHAH	8100-9	NBP Lar	20,772
22	36130345	GMPS CHAK MAHNI (GGPS UMAR PUR)	2043-9	NBP Nawab Pur	40,500
23	36130363	GMPS DHILO WALA	970-3	NBP Bosan Road	120,922
24	36130371	GGPS SHER WALA	964-1	NBP Bosan Road	112,401
25	36130373	GGPS ALPA MOUZA ALPA	4075258447	NBP Gulgasht	154,330
26	36130379	GGPS ASSIYAN WALA	5949-9	NBP Bosan Road	18,088
27	36130380	GGPS PORBEY WALA	933-9	NBP Bosan Road	900
28	36130384	GGPS Jenah Abadi Loother	4065228560	NBP Gulgasht	47,181

Sr. No.	EMIS Code	Name of School	Bank Account No.	Name of Bank	Unspent Balance
29	36130385	GGPS RAMON WALA (RIAZABAD NO1)	11495-1	BOP Kumharan Wala	60,000
30	36130387	GGPS KOT RABNAWAZ	5729-6	BOP Mumtaz Abad	23,000
31	36130407	GGPS SANDA GHULAM HUSSAIN	16345-9	NBP Shah Rukn-E-Alam	64,270
32	36130414	GGPS 11/MR	005806000-3	BOP Mumtaz Abad	80,579
33	36130432	GGPS 9/MR	4071422490	NBP 19/Kassi	1,011
34	36130441	GGPS CHAH IBRAHIM WALA	5710-4	BOP Mumtaz Abad	82,586
35	36130461	GGPS PULL MEHNGEY WALA	4557-7	BOP Shah Rukne Alam	30,021
36	36130464	GGPS INAYAT PUR MARAL	5714-1	BOP Mumtaz Abad	105,069
37	36130470	GGPS INAYAT ALI WALA	5659-9	BOP Mumtaz Abad	92,559
38	36130477	GGPS CHAH BELEY WALA	3048-7	NPB Mumtazabad	45,823
39	36130493	GMPS SYED PUR	005589-000-1	BOP Mumtaz Abad	35,006
40	36130499	GGPS NOOR WALA SHUMALI	5638-6	BOP Mumtaz Abad	78,073
41	36130528	GGPS ROSHAN RAE WALA	4651-0	BOP Shah Rukne Alam	47
42	36130542	GMPS 9/FAIZ (MAKORIYAN WALA)	690008-000	BOP Kutchery	119,512
43	36130553	GGPS ALLAH ABAD (AZAM HANS NO 1)	4071422669	NBP 19/Kassi	270,394
44	36130560	GGPS OLD FACTORY	4058576975	NBP 19/Kassi	39,371
45	36130564	GGPS MUHAMMAD PUR RAWA	16349-5	NBP Shah Rukn-E-Alam	59,689
46	36130569	GGPS MOUZA CHATHA	4063062975	NBP 19/Kassi	22,745
47	36130572	GGPS BASTI WARNALA	810790040040-1	HBL Makhdoom Rashid	47,009
48	36130574	GGPS PULL MIRAN	5883-3	BOP Gulgasht	25,781
49	36130580	GGPS 11/T	4080085945	NBP Shah Rukn-E-Alam	49,396
50	36130583	GGPS KACH KOTHA	78532975100231-1	MCB Chak 2T	71,054
51	36130587	GMPS ISLAM PUR GUJRAN	2600	NBP Qadir Pur Ran	30,700
52	36130603	GGPS JUNGLE MITHA	5635	BOP Mumtaz Abad	40,100
53	36130746	GGPS GINDI WALA	5666-9	BOP Mumtaz Abad	531
54	36130805	GMPS JAND WALA	4558-9	BOP Shah Rukne Alam	243,851
55	36130808	GGPS MARI MANGO MAL	4655-7	BOP Shah Rukne Alam	35,366

<b>Sr. No.</b>	<b>EMIS Code</b>	<b>Name of School</b>	<b>Bank Account No.</b>	<b>Name of Bank</b>	<b>Unspent Balance</b>
56	36130481	GGPS TAHLI WALA	5688-000-3	BOP Mumtaz Abad	58,104
57	36130565	GGPS MUNSHI WALA	4080179540	NBP Mumtaz Abad	38,370
58	36130377	GGPS SANGI WALA	CD-5848-000-9	BOP Gulgasht	44,662
<b>Total</b>					<b>3,291,059</b>

**Annexure-D/MLN**  
**[Para: 14.3.1.2]**

**Non-receipt of share of pension contribution from Municipal Corporation of**  
**Rs 116.920 million**

(Rupees in million)

PPO No.	Date of PPO	Name	Date of retirement	Date of Death	Gratuity / Commutation	Net Qualifying service y-m-d	Total Service in days	District Govt. & Service in	Service MCs In Days	Service in	MC Share
0001	23.10.2017	Mumtaz Mai	0	08.09.2015	418,464	31-00-07	11,322	-	-	-	0.24
0002	23.10.2017	Parveen Bibi W/O Muhammad Rafique		8.11.2015	408,503	25-07-01	9,336	-	-	-	0.20
0003	23.10.2017	Mr. Nadir Hussain Late S/O Khadim Hussain		15.03.2016	455,080	25-11-06	9,467	-	-	-	0.84
0004	23.10.2017	Mr. Mureed Hussain S/O Allah Rakha Khan	31.07.2016		660,239	34-09-30	12,710	-	-	-	1.15
0005	23.10.2017	Mst. Karam Elahi D/O Hafiz Gul Muhammad	20.08.2016		673,452	40-04-19	14,739	-	-	-	1.25
0006	23.10.2017	Mst. Nasreen Akhtar D/O Rasheed Ahmad	31.08.2016		862,267	26-11-10	9,830	-	-	-	1.17
0007	23.10.2017	Mst. Azra Khanam D/O Muhammad Hussain Nasir	20.09.2016		1,246,879	37-07-29	13,744	-	-	-	2.22
0008	23.10.2017	Mr. Saif Ullah S/O Khuda Buksh	30.09.2016		1,396,851	30-02-06	11,016	-	-	-	2.09
0009	23.10.2017	Mr. Wali Muhammad	31.10.2016		1,555,585	30-01-04	10,984	-	-	-	2.33

PPO No.	Date of PPO	Name	Date of retirement	Date of Death	Gratuity/ Commutation	Qualifying service y-m-d Net	Total Service in days	District Govt. & Service in	Service MCs In Days	Service in	MC Share
		S/O Sharaf-Ud-Din									
0010	23.10.2017	Mr. Muhammad Munir S/O imran Buksh	20.11.2016		1,469,121	41-10-09	15,274	-	-	-	2.75
0011	23.10.2017	Muhammad Khalid Farid S/O Rasool Bakhsh	02.12.2016		880,241	28-06-14	10,414	-	-	-	1.24
0012	23.10.2017	Mr. Muhammad Hanif S/O Saghir Ahmad	31.12.2016		1,257,699	33-03-25	12,160	-	-	-	2.03
0013	23.10.2017	Mst Mamoona Khatoon	31.12.2016		1,104,296	34-09-28	12,708	-	-	-	1.84
0014	23.10.2017	Mr. Muhammad Zafar	31.12.2016		1,014,782	27-03-01	9,946	-	-	-	1.36
0015	23.10.2017	Mr. Muhammad Yaqoob	09.01.2017		1,246,879	36-07-28	13,378	-	-	-	2.15
0016	23.10.2017	Mr. Allah Bukhsh	31.01.2017		593,710	27-02-30	9,945	-	-	-	0.79
0017	23.10.2017	Mr. Nasreen Akhtar	05.03.2017		1,802,385	32-04-10	11,810	-	-	-	2.81
0018	23.10.2017	Mst. Khusheet Bibi	31.03.2017		567,570	28-00-30	10,250	-	-	-	0.77
0019	6.01.2018	Mr. Basheer Ahmad S/O Wahid Buksh	31.12.2016		643,445	37-01-11	13,546	5,292	8,254	8,254	0.39
0020	25.01.2018	Mst. Sharam Mai	08.09.2017		758,748	35-07-13	12,998	5,469	7,529	7,529	0.44
0021	25.01.2018	Mst. Tahira Yasmeen	31.08.2017		1,573,512	38-11-07	14,207	5,477	8,730	8,730	0.97
0022	25.01.2018	Mst. Shamshad Parveen	10.08.2017		1,488,398	36-09-18	13,428	5,497	7,931	7,931	0.88
0023	25.01.2018	Shugufta Tabassum	05.06.2017		1,282,525	36-05-28	13,318	5,442	7,876	7,876	0.76
0024	27.02.2018	Azra parveen	02.12.2017		1,573,512	39-02-05	14,300	5,629	8,671	8,671	0.95

PPO No.	Date of PPO	Name	Date of retirement	Date of Death	Gratuity/ Commutation	Qualifying service y-m-d Net	Total Service in days	Service in District Govt. &	Service in MCs In Days	Service in	MC Share
0025	16.03.2018	Nasreen Akhtar		26.05.2016	507,286	27-06-18	10,053	5,048	5,005	0.25	
0026	16.03.2018	Nasreen Bibi	17.02.2017		603,434	29-06-16	10,781	5,310	5,471	0.31	
0027	16.03.2018	Rabnawaz	28.02.2017		683,455	41-00-16	14,981	5,357	9,624	0.44	
0028	16.03.2018	Shafqat Parveen	30.09.2017		1,533,769	29-10-19	10,904	5,567	5,337	0.75	
0029	16.03.2018	Safia Begum	31.12.2017		746,745	33-02-13	12,358	5,657	6,701	0.40	
0030	26.04.2018	Mst. Gudu	31.01.2018		736,924	30-00-05	10,955	5,688	5,267	0.35	
0031	26.04.2018	Mst Farhat Parveen	12.01.2018		1,385,123	30-04-00	11,070	5,669	5,401	0.68	
0032	26.04.2018	Sayda Hamaz Naqvi	31.01.2018		1,360,587	26-03-04	9,584	5,688	3,896	0.55	
0033	22.05.2018	Kashif Naeem	22.08.2017		1,525,147	21-11-20	8,015	5,515	2,500	0.48	
0034	26.05.2018	Saeed-ur-Rehman	13.12.2017		1,287,617	30-05-07	11,107	5,639	5,468	0.63	
0035	26.05.2018	Mst. Shamood	31.08.2017		944,332	28-08-16	10,476	5,537	4,939	0.45	
0036	26.05.2018	Mst Asma Mehboob	01.04.2017		1,016,272	35-03-00	12,865	5,386	7,479	0.59	
0037	5.06.2018	Mst Sajjida Parveen	14.12.2017		843,558	25-02-09	9,194	5,640	3,554	0.33	
0038	4.07.2018	Mst Shakeela Begum	24.08.2017		1,573,512	38-09-17	14,157	5,529	8,628	0.96	
0039	4.07.2018	Mr. Qazi Abdul Aziz	11.01.2018		1,650,624	37-10-14	17,705	5,673	12,032	1.12	
0040	4.07.2018	Mr. Zafar Iqbal Widower	13.08.2017		1,220,227	25-04-13	9,258	5,519	3,739	0.49	
0041	4.07.2018	Saeed Ahmad Ashraf SST	31.01.2018		3,587,143	37-02-23	13,588	5,692	7,896	2.08	
0042	4.07.2018	Mst Qamar Sultana PST	15.02.2018		1,413,117	32-05-00	11,830	5,677	6,153	0.73	
0043	4.07.2018	Mst Hummaira Jabeen	13.02.2018		1,753,314	30-05-01	11,101	5,675	5,426	0.86	
0044	24.07.2018	Mr. Ghulam Abbass PST	24.04.2018		1,488,398	37-06-06	13,691	5,776	7,915	0.86	
0045	1.08.2018	Mst. Nasra Sultana PST	19.02.2018		1,111,134	28-05-22	10,392	5,713	4,679	0.50	
0046	1.08.2018	Mst Shadoo Mazhar	14.03.2018		1,658,626	41-10-04	15,269	5,736	9,533	1.04	

PPO No.	Date of PPO	Name	Date of retirement	Date of Death	Gratuity/ Commutation	Qualifying service y-m-d Net	Total Service in days	Service in District Govt. & Service in	Service MCs In Days	Service in	MC Share
0047	15.08.2018	Mst Khalida Mehbood	01.08.2018		1,880,806	30-10-19	11,269	5,783	5,486	0.92	
0048	10.09.2018	Mst Nasra Parveen PST	31.01.2018		1,470,297	27-09-17	10,142	5,662	4,480	0.65	
0049	10.09.2018	Mr. Muhammad Hashaim Shah PST	31.01.2018		1,753,314	31-02-07	11,382	5,662	5,720	0.88	
0050	10.09.2018	Mr. Muhammad Hafiz Abdullah	26.04.2018		791,484	36-00-16	13,156	5,778	7,378	0.44	
0051	10.09.2018	Mr. Ghullam Haider NQ	27.05.2018		846,044	41-07-10	15,185	5,809	9,376	0.52	
0052	19.09.2018	Mst. Tasleem Firdous	13.03.2018		1,904,146	37-03-07	13,602	5,765	7,837	1.10	
0053	19.09.2018	Mr. Rafique Ahmad EST	30.04.2018		2,125,296	35-11-19	13,124	5,752	7,372	1.19	
0054	19.09.2018	Mst Kaneez Fatima PST	31.08.2018		1,551,325	30-11-19	11,299	5,872	5,427	0.75	
0055	22.010.2018	Mst. Safia Mahmood SST	11.05.2018		2,192,223	32-06-08	11,868	5,883	5,985	1.11	
0056	22.010.2018	MST Salma Begum PST	01.09.2018		1,318,171	30-11-19	11,299	5,723	5,576	0.65	
0057	3.11.2018	Mr. Allah Dittan Chowkidar	23.05.2017		683,455	42-01-19	15,379	5,409	9,970	0.44	
0058	3.11.2018	Mr. Idress Farooq PST	31.08.2018		1,519,538	26-04-24	9,634	5,872	3,762	0.59	
0059	26.11.2018	Mr. Muhammad Akbar Chowkidar	06.09.2017		846,299	27-10-02	10,157	5,545	4,612	0.38	
0060	26.11.2018	Mrs. Nagina Begum Bulawi	31.08.2018		787,856	25-01-26	9,181	5,872	3,309	0.28	
0061	26.11.2018	Mr. Manzoor Ahmad PST	31.08.2018		1,744,258	30-11-19	11,299	5,872	5,427	0.84	
0062	17.01.2019	Mst Irshad Begum PST	31.10.2018		1,613,931	30-11-20	11,300	5,932	5,368	0.77	
0063	13.02.2019	Mr. Mushtaq Hussain Mali	30.11.2017		803,359	34-06-00	12,590	5,327	7,263	0.46	



PPO No.	Date of PPO	Name	Date of retirement	Date of Death	Gratuity/ Commutation	Qualifying service y-m-d Net	Total Service in days	Service in District Govt. & Service in	Service in MCs In Days	MC Share
0064	13.02.2019	Mr. Muhammad Akhtar PST	30.09.2018		1,577,244	28-10-29	10,549	5,902	4,647	0.69
0065	13.02.2019	Mr. Muhammad Akram Chowkidar	31.10.2018		958,634	28-02-23	10,303	5,932	4,371	0.41
0066	13.02.2019	Mr. Muhammad Saeed PST	05.11.2018		1,459,396	29-01-15	10,630	5,793	4,837	0.66
0067	13.02.2019	Mr. Saleem Mashee Chowkidar	30.11.2018		952,883	37-08-18	13,763	5,662	8,101	0.56
0068	13.02.2019	Mr. Ghulam Basheer SST	31.12.2018		3,112,470	38-02-06	13,936	6,022	7,914	1.77
0069	21.02.2019	Mr. Khalil Ahmad PST	31.08.2018		1,360,728	33-09-18	12,333	5,872	6,461	0.71
0070	21.02.2019	Mr. Zafar Hussain EST	31.12.2018		1,821,301	36-11-30	13,500	6,022	7,478	1.01
0071	21.02.2019	Muhammad Sohail PST	31.12.2018		1,644,702	27-11-30	10,215	6,022	4,193	0.68
0072	9.03.2019	Mr. Abid Hussain Head Clerck BS-16	02.12.2018		2,009,286	31-04-27	11,462	5,644	5,818	1.02
0073	16.03.2019	Mr. Allah Wasayar NQ	31.10.2018		894,925	30-10-18	11,268	5,942	5,326	0.42
0074	16.03.2019	Rabbia Bibi PST	31.12.2018		1,242,382	29-00-01	10,586	6,022	4,564	0.54
0075	11.04.2019	Muhammad Akram PST	01.09.2018		1,457,704	28-04-17	10,357	5,903	4,454	0.63
0076	11.04.2019	Muhammad Tayyab S/O Qari Nizam-U-Din	10.10.2018		1,901,914	32-00-10	11,690	5,942	5,748	0.94
0077	11.04.2019	Mst Riffat Nadeem	31.12.2018		1,856,883	31-03-19	11,424	6,022	5,402	0.88
0078	11.04.2019	Mr. Muhammad Akhtar ullah	31.01.2019		1,490,445	31-04-19	11,454	6,057	5,397	0.70
0079	6.05.2019	Muhammad Usman PST	31.10.2018		1,528,777	27-02-24	9,939	5,962	3,977	0.61
0080	6.05.2019	Mr. Abdul Ghani PST	31.12.2018		1,445,842	32-03-08	11,778	6,022	5,756	0.71

PPO No.	Date of PPO	Name	Date of retirement	Date of Death	Gratuity/ Commutation	Qualifying service y-m-d Net	Total Service in days	Service in District Govt. & Service in	Service in MCs In Days	Service in	MC Share
0081	6.05.2019	Muhammad Munir Chowkidar	31.01.2019		915,488	35-08-12	13,027	6,057	6,970	0.49	
0082	6.05.2019	Riaz Ahmad NQ	26.02.2019		864,231	40-02-08	14,668	6,083	8,585	0.51	
0083	15.06.2019	Mr. Farzand Ali PST	30.09.2018		1,274,232	28-11-29	10,579	5,932	4,647	0.56	
0084	15.06.2019	MST Parveen Akhtar PST	30.11.2018		1,462,651	34-00-15	12,425	5,992	6,433	0.76	
0085	15.06.2019	MST Parveen Akhtar PST	29.12.2018		1,403,285	36-03-17	13,247	5,994	7,253	0.77	
0086	22.07.2019	Abdul Rasheed Chowkidar	31.03.2017		704,918	32-11-08	12,018	5,567	6,451	0.38	
0087	22.07.2019	Muhammad Ramzan Bullavi	23.11.2018		773,298	34-02-22	12,492	5,985	6,507	0.40	
0088	22.07.2019	Muhammad Yousaf Chowkidar	08.05.2019		791,484	35-00-10	12,785	6,152	6,633	0.41	
0089	26.07.2019	Zahida Noreen PST	30.11.2018		1,732,457	32-08-19	11,939	5,992	5,947	0.86	
0090	26.07.2019	Tahira Parveen PST	31.12.2018		1,363,442	25-07-05	9,340	6,022	3,318	0.48	
0091	27.08.2019	Mr. Abdul Sattar PST	17.01.2019		1,191,859	29-01-03	10,618	6,046	4,572	0.51	
0092	27.08.2019	Ghulam Mustafa Chowkidar	31.01.2019		760,203	30-08-28	11,218	6,057	5,161	0.35	
0093	27.08.2019	Balqees Begum PST	12.04.2019		1,530,955	37-02-11	13,576	6,099	7,477	0.84	
0094	27.08.2019	Muhammad Hayyat PST	23.04.2019		1,403,285	35-07-20	13,005	6,110	6,895	0.74	
0095	1.10.2019	Saeed Ahmad PST	29.03.2019		1,431,333	32-04-05	11,805	6,086	5,719	0.69	
0096	16.10.2019	Amna Gull Niazi EST	25.06.2019		1,682,996	33-07-19	12,274	6,202	6,072	0.83	
0097	15.11.2019	MST Romana Shareen PST	11.10.2017		1,364,107	28-00-18	10,238	5,548	4,690	0.62	
0098	15.11.2019	Sayeda Almas Sohra Naqvi	31.12.2018		1,472,692	27-03-30	9,975	6,022	3,953	0.58	

PPO No.	Date of PPO	Name	Date of retirement	Date of Death	Gratuity/ Commutation	Qualifying service y-m-d Net	Total Service in days	Service in District Govt. & Service in	Service in MCs In Days	Service in	MC Share
0099	15.11.2019	Naseem Akhtar Bulavi	10.05.2019		827,858	37-07-09	13,724	6,127	7,597	0.46	
0100	15.11.2019	MSt Mumtaz Begum Bulavi	31.07.2019		791,484	35-08-30	13,045	6,237	6,808	0.41	
0101	15.11.2019	Muhammad Ishfaq Qureshi PST	31.07.2019		1,527,115	27-11-25	10,210	6,237	3,973	0.59	
0102	20.11.2019	Mst. Sajjida Yasmeen PST	30.06.2019		1,658,626	40-09-06	14,876	6,207	8,669	0.97	
0103	20.11.2019	Qazi Muhammad Abdul Hafeez PST	30.06.2019		1,840,822	32-00-18	12,793	6,207	6,586	0.95	
0104	2.12.2019	Mr. Maraj-u-Din PST	15.08.2019		1,818,113	29-04-01	10,706	6,252	4,454	0.76	
0105	2.12.2019	Rana Ejaz PST	30.09.2019		1,524,782	26-04-04	9,614	6,297	3,317	0.53	
0106	10.12.2020	Jameela Bano EST	28.05.2019		1,505,494	31-08-16	11,571	6,265	5,306	0.69	
0107	10.12.2020	Rifat Farzana PST	19.09.2019		1,230,281	28-02-06	10,286	6,286	4,000	0.48	
0108	17.02.2020	Fida Hussain Chowkidar	30.09.2019		894,925	34-08-29	12,679	6,297	6,382	0.45	
0109	17.02.2020	Manzoor Bibi Bulavi	03.10.2019		791,484	35-01-02	12,807	6,300	6,507	0.40	
0110	14.05.2020	Shahid Iqbal PST	31.12.2019		1,658,626	38-07-29	14,109	6,387	7,722	0.91	
0111	14.05.2020	Khalid Mehmood EST	23.01.2020		1,650,624	37-07-28	13,743	6,050	7,693	0.92	
0112	3.06.2020	Arshad Ali EST	06.03.2019		1,793,571	31-08-01	11,556	6,213	5,343	0.83	
0113	26.06.2020	Bushra Bano PST	30.11.2019		1,631,632	29-10-08	10,893	6,357	4,536	0.68	
0114	13.08.2020	Rizwana Kousar EST	11.12.2019		1,505,494	30-02-20	11,030	6,369	4,661	0.64	
0115	30.09.2020	Muhammad Manzoor Chowkidar	01.01.2020		598,481	24-03-29	8,879	6,028	2,851	0.19	
0116	20.10.2020	Muhammad Saddique EST	11.04.2020		1,844,130	39-06-23	14,438	6,098	8,340	1.07	

PPO No.	Date of PPO	Name	Date of retirement	Date of Death	Gratuity/ Commutation	Net Qualifying service y-m-d	Total Service in days	Service in District Govt. &	Service in MCs In Days	Service in	MC Share
0117	22.10.2020	Nazar Hussain Mali	30.06.2020		664,697	28-05-21	10,391	6,207	4,184		0.27
0118	06.11.2020	Isfaq Ahmad Chowkidar	07.08.2020		894,666	30-05-06	11,106	6,154	4,952		0.40
0119	20.11.2020	Qari saeed Ahmad EST	31.03.2020		2,094,750	26-10-03	9,793	6,117	3,676		0.79
0120	20.11.2020	Abdul Shakoor Sweeper	30.06.2020		176,981	10-7-28	3,888	2,740	1,148		0.05
0121	24.11.2020	Jan Muhammad Chowkidar	01.10.2019		1,009,081	27-07-00	10,065	6,298	3,767		0.38
<b>Total</b>											<b>95.98</b>

<b>Non collection of pension contribution</b>			
<b>Period</b>	<b>Working strength of MC Cadre employees</b>	<b>Av. Basic Pay of Employees</b>	<b>40% Pension Contribution (Approximately)</b>
2017-2018	349	30,000	20.94
2018-2019			
2019-2020			
<b>Grand Total</b>			<b>116.920</b>

**Annexure-C/PPN****[Para: 15.2.5.2.2]****Non transparent tendering process for purchase of furniture –  
Rs 5.413 million**

(Rupees in million)

Token No.	Token Date	Cheque No.	Cheque Date	Scheme Name	Description	Firm Name	Invoice Date	Amount
5289	22.06.2020	113232	27.06.2020	Upgradation of middle schools to higher level	Headmaster Chair	Master Enterprises	10.06.20	0.275
5289	22.06.2020	113232	27.06.2020	Upgradation of middle schools to higher level	Headmaster Table	Master Enterprises	10.06.20	0
5289	22.06.2020	113232	27.06.2020	Upgradation of middle schools to higher level	Laboratory Table	Master Enterprises	10.06.20	0
5291	22.06.2020	113233	27.06.2020	Upgradation of middle schools to higher level	Desk Bench ES	RBH General order Supplier	10.06.20	1.714
5291	22.06.2020	113233	27.06.2020	Upgradation of middle schools to higher level	Desk Bench HS	RBH General order Supplier	10.06.20	1.714
5291	22.06.2020	113233	27.06.2020	Upgradation of middle schools to higher level	Glass Door Almirah	RBH General order Supplier	10.06.20	1.71
<b>Total</b>								<b>5.413</b>

**Annexure-D/PPN**

**[Para: 15.2.5.4.2]**

**Non imposition of liquidated damages on late supply – Rs 1.893 million**

(Rupees in million)

Token No.	Token date	Description	Firm Name	Amount	Supply order No.	Supply order Date	Supply Time (Days)	Supply date To Be	Actual Supply Date	LD Charges
E04472	9.06.2020	Liabrury Books	Maqbool Academy Mall Road Lahore	1107242	1618/P & D	15.05.20	20	4.06.2020	8.06.2020	0.188
E04471	9.06.2020	Liabrury Books	Rabia Book House urdu bazar Lahore	892356	1619/P & D	15.05.20	20	4.06.2020	8.06.2020	0.152
5289	22.06.2020	Headmaster Chair	Master Enterprises	272529	1642/P & D	19.05.20	20	7.06.2020	9.06.2020	0.046
5291	22.06.2020	Desk Bench ES	RBH General order Supplier	1714236	1641/P & D	4.05.20	20	24.05.2020	9.06.2020	0
5291	22.06.2020	Desk Bench HS	RBH General order Supplier	1714236	1641/P & D	4.05.20	20	24.05.2020	9.06.2020	0.291
5291	22.06.2020	Glass Door Almirah	RBH General order Supplier	1714236	1641/P & D	4.05.20	20	24.05.2020	9.06.2020	0.291
5286	22.06.2020	French Curve	Rafique Scientific Store Lahore	231212	1468/P & D	19.05.20	20	7.06.2020	15.06.2020	0.039
5283	22.06.2020	Sewing machine Singer Manual with cover	Expert Traders	512096	1647/P & D	19.05.20	20	7.06.2020	10.06.2020	0.087
5294	22.06.2020	Vocation Lab items	Art International Business Co.	181610	1647/P & D	19.05.20	20	7.06.2020	10.06.2020	0.039
5288	22.06.2020	Sports items	Rafique Scientific Store	338168	1643/P & D	19.05.20	20	7.06.2020	10.06.2020	0.057
5290	22.06.2020	Cricket Ball	Shakeel Traders	328714	1644/P & D	19.05.20	20	7.06.2020	10.06.2020	0.056
5280	22.06.2020	Batting Gloves	Public Scientific Supply	482524	1645/P & D	19.05.20	20	7.06.2020	10.06.2020	0.082
5281	22.06.2020	Science Articles	Zain Enterprises general	227566	1651/P & D	19.05.20	20	7.06.2020	10.06.2020	0.039

Token No.	Token date	Description	Firm Name	Amount	Supply order No.	Supply order Date	Supply Time (Days)	Supply date To Be	Actual Supply Date	LD Charges
			order supplier							
5279	22.06.2020	Science Articles	Faisal Islam Scientific Store	46242	1650/P & D	19.05.20	20	7.06.2020	10.06.2020	0.0079
5278	22.06.2020	Science Articles	Public Scientific Supply Faisalabad	188797	1655/P & D	19.05.20	20	7.06.2020	10.06.2020	0.321
5287	22.06.2020	Science Articles	Rafique Scientific Store Lahore	682110	1653/P & D	19.05.20	20	7.06.2020	10.06.2020	0.116
5282	22.06.2020	Science Articles	Hafiz Scientific Corp Lahore	233320	1649/P & D	19.05.20	20	7.06.2020	10.06.2020	0.039
5282	22.06.2020	Science Articles	Expert Traders	229514	1654/P & D	19.05.20	20	7.06.2020	10.06.2020	0.039
5295	22.06.2020	Science Articles	Malvetlner national	42218	1652/P & D	19.05.20	20	7.06.2020	10.06.2020	0.0072
<b>Total</b>										<b>1.893</b>